



# The Nation's Business

Agriculture . Mining . Manufacturing  
Transportation . Distribution



Finance . Education . Professions  
Government . Altruism

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## How to Gain Increased Foreign Trade

The Chamber of Commerce of the United States has, since the outbreak of the European war, given reassurance relative to the world's needs, suddenly precipitated by the European war, and our ability to supply those needs in many directions.

In the early days of August the immensity of international trade disturbance seemed to bring into existence a national conviction that the world of trade was ours. Now there appears to have come a mental condition which is tending to produce excessive caution and almost a national doubt as to whether we can enter the world's markets successfully. The second condition is as erroneous as the first.

There is additional trade to be had for the United States. It will come to us if we seek it, work for it, and deserve it. Exactly as the Germans and English built up their trade in the face

of obstacles and delays and, in some cases, through the experience of disappointment, so must we expect to build the greater trade that the world is ready to offer to the best trading nation.

Optimism tempered by good judgment is the right spirit for this unequalled moment in our international relations. If we wish to compass the South American market we must do as has already been done, meet the needs of that market. If our business leaders wish trade from there, they must not send men of slight experience in business, but men of broad experience. The best man, in a business concern is the only right one to influence a trade opportunity that has been suddenly offered to us by the misfortunes of the great industrial nations of the earth.

This issue of THE NATION'S BUSINESS aims to help towards trade extension.

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# THE NATION'S BUSINESS

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G. GROSVENOR DAWE  
Editor

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THE Nation must not lose sight of the fact that amid all the trade conditions which will be stimulated, one great pre-eminent industry of the United States faces calamity. The appalling shock to the raw cotton market is not a Southern calamity but is a national calamity and the skilled and aggressive thought of the Nation's leaders must be turned to the subject of the price of cotton and means of holding the market steady, for cotton, in our history, has been the one thing above all others to maintain constantly for the United States a great balance on the trade books of the world. The belligerent nations of Europe in the year ending August 31, 1913, took from the United States more than one-half of its entire cotton crop, to be exact, 7,534,934 bales. The nations of Europe, not at war, took 1,103,887 bales. The mills of the United States consumed in the same year only 5,553,000 bales. Consequently without a moment's warning and without any means of holding back the processes of nature that were ripening the cotton crop, the South that has been creating national balances in our favor for a century faces the impossibility of marketing the ordinary crop at ordinary prices. It is a national problem.

Textile World Record quotes the following statistics of consumption of cotton (in bales), for the year ending August 31, 1913:

	AMERICAN TOTAL	
Great Britain .....	3,466,417	4,374,320
Germany .....	1,351,790	1,701,000
France .....	805,594	1,000,918
Austria .....	626,704	837,065
Russia .....	485,088	538,508
Belgium .....	171,010	257,378
Japan .....	143,812	1,580,890
Belligerents .....	7,534,934	12,000,478
India .....	570,481	780,330
Siam .....	282,013	353,133
Holland .....	97,713	81,861
Sweden .....	100,030	112,000
Switzerland .....	116,713	98,498
Portugal .....	92,033	77,860
Denmark .....	21,340	25,512
Norway .....	9,110	11,491
Europe not at war .....	1,013,887	1,582,957
India .....	930,000	1,178,925
Ceylon .....	1,330,000	1,147,758
Other foreign .....	150,000	1,123,594
United States .....	5,553,000	5,780,000
World Total .....	13,937,757	22,921,212

ON the 19th of October the Interstate Commerce Commission will give further hearing to the rail carriers in official classification territory in connection with that which has come to be known as "the five percent case." It is to be noted that the Interstate Commerce Commission in making this announcement decrees that the Commission's report, findings and orders heretofore entered in relation to this case shall remain in full force and effect and furthermore, that the hearing is to be limited to the presentation of facts disclosed and occurrences originating subsequent to the date upon which the records previously made in this case were closed.

Early in September a number of leading railroad officials of the United States conferred with President Wilson relative to the condition that confronts the transportation interests. On September 15, the railroads affected by the advance rate case (the five percent case) which was decided August 1, namely the railroads in the territory north of the Potomac and the Ohio and east of the Mississippi (112 roads, composing 35 systems), formally petitioned the Interstate Commerce Commission to reopen the advance rate case. As a basis for this request the petition set forth three reasons: (1) that the complete income accounts of the roads for the year ended June 30, 1914, are now available and emphasize the decline of operating income, notwithstanding efforts to reduce expenses; (2) that in meeting within the next fifteen months obligations which aggregate one billion and a half dollars and in providing for improvements, the railroads will have difficulty in competing for capital, a condition which the European war will aggravate; and (3) that the roads cannot obtain the additional revenue they need in any other way than through a general advance in freight rates. The re-hearing by the Commission is based upon this application.

On the 18th of September the Interstate Commerce Commission gave to the press an abstract of the monthly reports of the large roads both for the month of June and for the twelve months ending with June.

Going straight to the heart of the imposing array of figures, it is seen

that for the twelve months ending June, the operating income for the railroads of the Eastern District was \$4,443 per mile as compared with \$5,800 per mile in the preceding year. In the Southern District, the railway operating income for the year ending June 30, 1914, was \$2,502 per mile as compared with \$2,670 in the preceding year. In the railroads of the Western District, the railway operating income for the year ending June 30, 1914, was \$2,630 as compared with \$3,000 in the preceding year. For the whole United States the operating income in the year just ended was \$3,094 per mile as compared with \$3,660 in the preceding year. At the same time the operating expenses per mile have increased.

It is important to bear in mind that this statement just made up by the Interstate Commerce Commission deals with conditions precedent to the advance rate case decision of August 1, and precedent to the serious interference with freight that has arisen throughout the United States owing to the effect of war conditions on exports and imports.

The facts presented in the report of the Interstate Commerce Commission are here included in order that the membership of the National Chamber may in the briefest possible manner be brought in touch with the real problem confronting the traffic interests of the United States. Some agitation has gone forward relative to Congress itself declaring a rate, regardless of the decision of the Interstate Commerce Commission on August 1. It would seem unwise to do this, for a rate fixed by the supreme law-making power of the United States would be rigid until changed and would not have the present advantage of advancing or declining as a result of research by the Interstate Commerce Commission. Moreover, the question of traffic rates which lies at the base of the commercial development of the United States would thus be in danger of taking on a political and partisan aspect.

IN round numbers the United States now consumes about 3,750,000 tons of sugar annually. Of this amount—still dealing in general figures—1,000,000 tons is produced in the United States; another million is produced in the insular possessions, principally Hawaii and Porto Rico; and 1,750,000 tons are imported from abroad.

The foreign sugar comes principally from Cuba; the only other country from which we receive any considerable supply being the Island of Java, a Dutch possession. As our foreign supply is drawn almost wholly from countries that are neutral in this great conflict, our sources abroad are not endangered.

But one-half of the 18,000,000 tons of sugar annually produced in the world is obtained from the beet crops cultivated in the countries that are now at war. And it is the beet fields of the heaviest producers, Germany, France, Austria and Belgium, that will be ravaged by the contending armies. It is this threatened destruction of one-half of the world's supply that has sent up the price of sugar and promises to maintain it on a high level for the next two years.

The English buyers were the first to realize this. The English are the heaviest consumers of sugar in the world, the last available figures at hand showing that while the per capita consumption of the United States was 80 pounds, in the United Kingdom it was 92 pounds.

THE nomination of Dr. Edward Ewing Pratt of New York City for Chief of the Bureau of Foreign and Domestic Commerce is now before the Senate. He is to take the place of Albertus H. Baldwin resigned.



DR. EDWARD EWING PRATT

Edward Ewing Pratt is at present manager of the Industrial Bureau of The Merchants' Association of New York.

Dr. Pratt was graduated from Oberlin College in 1906 with the degree of A. B. and in 1907 took the degree of M. A. at Tulane University, of New Orleans, Louisiana. Columbia University in 1911 awarded him the degree of Ph. D.

At Tulane University, Mr. Pratt held the George Foster Peabody Fellowship in Economics. During the years 1907-1909 he studied at Columbia University and the New York School of Philanthropy where he held a scholarship in Economics and later a Research Fellowship. He held the position of Assistant Professor of Economics and Statistics at the New York School of Philanthropy. In 1912 Dr. Pratt acted as Chief Statistician to the New York State Food Investigating Commission. For the past two years he has held a special lectureship at New York University in the School of Commerce, Accounts and Finance, where he has given courses in "Business Management" and "Statistics and Research."

Mr. Pratt has organized and directed several parties of Americans who have gone to Europe for the purpose of studying economic, industrial and municipal problems.

Mr. Pratt has done special work in statistics and research, especially along industrial and commercial lines. He is an authority on matters pertaining to industrial betterment and welfare work as carried on by employers. Mr. Pratt has published a very careful statistical study on the "Industrial Causes of Congestion of Population in New York City," and has written numerous articles on various economic subjects.

He is a member of the American Economic Association, the American Statistical Association, the National Conference on City Planning, the National Association of Corporation Schools, the City Club of New York, and the Columbia University Club.

For the past two years Mr. Pratt has been in charge of the Industrial Work of The Merchants' Association of New York. In the course of this work Mr. Pratt has become very intimately acquainted with both domestic and foreign commerce and knows very intimately the needs of the business community along these lines.

# Notes on Legislative Activities of Importance

(Fuller Information for Members in Legislative Bulletins)

## Federal Trade Commission

The bill creating a Federal Trade Commission (H. R. 15013) passed the Senate September 8 and the House September 10. The signature of the President makes this Act a law.

The progress of the bill from its first stages, last January up to date has been one marked by many changes. Its history has been fully detailed from time to time in these columns and in the Legislative Bulletins of the National Chamber. Nearly five months elapsed from the time that the bill was first reported out by the House Committee on Interstate and Foreign Commerce.

The power of the Federal Trade Commission extends over interstate and foreign commerce.

All associations, even without capital stock, organized to carry on business for their own profit or the profit of their members are subject to the Commission.

The Commission is directed to continue all pending investigations of the Bureau of Corporations, which loses its identity as soon as the Federal Trade Commission is organized.

The discussions that arose in connection with the words "unfair competition" and the attacks upon those words as meaning something quite distinct from the purposes of the bill led to changes in the ultimate form of the bill. Unfair methods of competition by individuals, partnerships or corporations, instead of unfair competition are declared unlawful, and the Commission is given the specific duty to prevent these methods of competition.

The proposal to have corporations with capital of five million dollars or over represented by agents in Washington was finally stricken from the bill. The same happened to the power given the Commission to investigate the financial condition of corporations under its jurisdiction.

The power of the Commission to investigate trade conditions in foreign countries affecting our foreign commerce is retained in the bill but without the words "as expeditiously as possible."

## The Clayton Bill

The Clayton Bill (H. R. 15657) passed the Senate September 2. It passed the House June 5. Conference have been appointed and are at present meeting. Their report is expected immediately.

### FASTLY IMPORTANT PROVISION

After striking out the general section regarding agreements accompanying sales or leases, the Senate inserted a new paragraph which places prohibitions only on patentees, who are forbidden under criminal penalties from selling, leasing, or licensing their patented articles (1) with a restriction that the vendee, etc., is not to use supplies, machines, etc., obtained from other persons, or (2) with a condition that other patented articles of any kind are to be purchased from the patentee.

### SOME NEGATIVE STATEMENTS

In the Senate the section defining discrimination in prices was eliminated, thus remitting this to the Federal Trade Commission for investigation as an unfair method of competition. The same happened in relation to the section dealing with the sale of mine products and exclusive

agency contracts where these proved to be unfair methods of competition.

In relation to the labor provisions which have been fully detailed in past issues of THE NATION'S BUSINESS, the Senate prefixed an assertion that the labor of a human being is not a commodity or an article of commerce.

In relation to injunctions, the Senate form of the bill provides that injunctions may be issued by Federal courts in the case of labor disputes only when they are necessary to prevent irreparable injury to property, and they may not prohibit (1) termination of employment; (2) going on strike; (3) persuading by peaceful means other persons to do likewise; (4) picketing where the pickets have a lawful right to be, and (5) boycott.

In relation to government decrees, the House had provided that a decree hereafter obtained in a government equity suit under the antitrust laws could afterward be introduced as conclusive evidence. The Senate gave such a decree effect only as *prima facie* evidence, namely as evidence that may be overcome by other evidence offered by the defendants. It also permitted the use of decrees obtained in the past and did not limit the provision to decrees in equity suits, but extended it to judgments in criminal cases.

The Senate form of this bill is carefully summarized in Legislative Bulletin number 76 (September 8) while the House form of the bill was summarized in Legislative Bulletin 70 (July 27). Each of these Legislative Bulletins has been distributed to the members of the National Chamber.

## Currency

In view of the exigencies created by the conditions of European finance a number of bills have been introduced proposing amendments to the Federal Reserve Act with a view either to reducing the amount of cash reserves required, or relieving emergency currency from the immediate interest penalty attached to it by the Aldrich-Vreeland Act of 1908. These various measures relative to currency matters have not become law. They have been fully detailed week by week in the Legislative Bulletins of the National Chamber.

## War Risk Insurance

In the August issue of THE NATION'S BUSINESS the fact that war risk insurance would become a government matter was indicated. A measure introduced by Mr. Clarke of Arkansas (S. 6357), to authorize the establishment of a Bureau of War Risk Insurance in the Treasury Department, passed the Senate August 21 and the House August 29. The House put into the bill a limitation to the effect that in any event, the Bureau of War Risk Insurance should cease operations at the end of two years. This Bureau of War Risk Insurance is now in operation. An appropriation of five million dollars has been made available and \$100,000 was set aside for the purpose of the establishment of the Bureau. This Bureau has adopted a form of War Risk policy and fixed reasonable rates for the insurance of American vessels and cargoes against this class of risk. Premiums will accrue to the United States.

## War Tax Measure

Owing to the very rapid decline in imports received at ports of the United States from belligerent countries and others, it became apparent early in August that there would be a great falling off of revenues for the Customs Service. As a result a number of tentative suggestions were made looking towards the raising of \$100,000,000 additional revenue to make good the expected loss in customs revenue. On September 21 the articles to be taxed were made up as follows: on beer, \$1.50 instead of \$1 a barrel; on sweet wines, 20 cents a gallon, and on other domestic wines, 12 cents; on gasoline, etc., for motor power, 2 cents a wine gallon to be paid monthly by producer on the amount produced; on bankers, \$2 for each \$1,000 of capital, surplus, and undivided profits; on brokers \$50; on pawnbrokers \$20; on commercial brokers \$20; on customhouse brokers \$10; on proprietors of theaters, etc., \$100; on circuses \$100; all unenumerated public exhibitions for money, \$10; bowling alleys and billiard rooms \$5 for each alley or table; dealers in leaf tobacco, \$6 to \$24; tobacco manufacturers, \$8 to \$24; and all other unenumerated dealers in tobacco \$4.80.

The stamp taxes are: on bonds issued after November 1, 1914, 5 cents a \$100, and 2 cents a \$100 on transfers of bonds; on sales of products or merchandise on exchanges, 1 cent a \$100; on promissory notes (except bank notes), 2 cents a \$100; 1 cent for each bill of lading for express or freight; on each telephone or telegraph message involving tolls of more than 15 cents, 1 cent; on surety bonds (except those required in legal proceedings) 50 cents; on stock certificates issued or transferred, 2 cents a \$100; on certificates for marine damage, 25 cents; on unenumerated certificates which may be required by law, 10 cents; brokers' memoranda of sales, 10 cents; on conveyances of realty, 50 cents on \$500; on entries of goods at customhouses, 25 cents to \$1; on life insurance policies (except fraternal, etc.), 8 cents a \$100 (on industrial or weekly-payment insurance, the tax is 40% of the first weekly premium); on policies of marine, inland, and fire insurance, one-half of 1 cent on each \$1 of premium; on policies of casualty, fidelity, and guaranty insurance, one-half of 1 cent on each \$1 of premium; on mortgages of realty or personally 25 cents on the first \$1,500 and 25 cents on each additional \$500 (mortgages for less than \$1,000 are exempt); on steamer tickets to foreign ports, \$1 to \$5; on proxies for voting at corporate meetings, 10 cents; on powers of attorney to sell or rent realty, 25 cents; on protests of notes, etc., 25 cents; on tickets for parlor and sleeping cars, 2 cents.

### ESTIMATED RESULTS

It is estimated the emergency bill will raise \$105,000,000 during the next twelve months, the committee report saying:

"Should this bill become a law as proposed by the committee, we confidently estimate that the revenue that will be derived during the first twelve months this bill is in operation will amount to \$105,000,000, distributed as follows:

"Fermented liquors, \$25,000,000; wines, \$8,000,000; gasoline, \$2,000,000; special taxes, \$10,000,000; stamp taxes, \$8,000,000. Total \$105,000,000.

## Merchant Marine Bills

The outbreak of hostilities in Europe has, since the first of August, resulted in the introduction of a number of bills looking towards the rehabilitation of the American Merchant Marine. Certain of these measures are listed below.

### FOREIGN-BUILT VESSELS

August 3. Mr. Alexander of Missouri (H. R. 18202): "To provide for the admission of foreign built ships to American registry for the foreign trade and for other purposes."

This bill removed immediately the requirement that foreign built vessels seeking American registry for the foreign trade be less than five years old and in addition authorized the President in his discretion (1) to suspend the provision of the American Navigation Laws which require that all watch officers of vessels of the United States registry for the foreign trade must be citizens of the United States and (2) to suspend the requirement for survey inspection and measurement by the United States officials of foreign built vessels admitted to American registry. This bill passed the House August 3, and in the Senate, after rejecting a substitute bill submitted by conferees, the bill as it passed the House was passed August 17. Became law August 18.

### GOVERNMENT-OWNED VESSELS

Mr. Alexander of Missouri, introduced a bill on August 23 which was changed and re-introduced on September 4 and referred to the House Committee on the Merchant Marine and Fisheries. This bill would authorize the United States, acting through a shipping board to subscribe to capital stock of a corporation to be organized under the laws of the United States, or of a state thereof, or of the District of Columbia, to purchase, equip, maintain and operate vessels in the foreign trade of the United States and for other purposes. The initial capital stock of the corporation would be ten million dollars of which the United States would own not less than fifty-one percent. The Secretary of the Treasury would be authorized to sell Panama Canal bonds to the extent of \$5,000,000. Vessels acquired would engage only in the foreign trade. Upon written notice to the corporation the United States could at any time take over the vessels at a reasonable price or rental.

### WARSHIPS WITH SAMPLES

On September 2, Senator Weeks of Massachusetts introduced Senate Resolution 443 by which the Secretary of Commerce was directed to prepare in detail estimates of the cost of sending to South American ports at least six vessels now in the navy or military service to carry samples of American goods and representatives of trade organizations. This resolution was agreed to by the Senate September 2.

A number of bills indicating modifications of existing shipping laws were also introduced.



# Introduction to Survey of Trade Readjustments

Disturbed trade conditions must be studied from the viewpoint of the nations with which we desire broader commercial relations in order that our efforts may be successful and permanent.

THE most severe strain to which the trade of the world has ever been subjected has been precipitated by the European war, the full danger of which was only realized as recently as August 1.

This profound disruption of the world's commerce is due to the fact that within the past century the nations that lead the world have been the nations that have given most attention to industrial development. Interchange of manufactured articles has been the leading characteristic of the rapidly extended commerce of the most advanced nations of the earth. Because of industrial development large proportions of the inhabitants of each of these countries, including our own, are no longer providers of their own food stuffs. Were conditions otherwise the various nations that are not involved in war might regard with less personal interest the struggle that is going on, but as nations have come to be dependent upon each other for things unknown a hundred years ago but now regard-

ditional market for their products. This leads to the definite conclusion that the trade of the world must within the next two years adapt itself to more marked readjustment than at any time in its previous history.

## INTERNATIONAL DEPENDENCE

Possibly no more marked evidence of the interdependence of nations is given than was furnished by the *Southern Pharmaceutical Journal* of Dallas, Texas, when for its own purposes it printed a diagram showing the sources of familiar drugs.

The trade of some countries has been cut off entirely from the world. The trade of others has been cut off from profitable directions and must seek other markets. The profound world disturbance of trade would indicate opportunity for the United States, in view of the fact that the United States has hitherto been exporting only a small proportion of its manufactured goods and in view of the fact that the United States is itself at peace with all the world. It

is entirely cut off from the export business of the Pacific frontier. The cutting off of exports from England and France to Germany will give these two nations (as their manufacturing activities have not ceased and in England are believed to be accelerated in some lines) more materials for the world's consumption. These sources of supply for the world's need must be borne in mind by our manufacturers and exporters and made part of their calculations relative to the broadened field which is now believed to lie before the United States.

## THE SOUTH AMERICAN FIELD

Because of the general feeling that South America will offer the most immediate field for the extension of the trade of the United States, there is included a careful analysis of the materials and amounts which the various countries of South America have been receiving from Germany and Austria-Hungary, the self-evident reason for naming these countries being that they are in some cases entirely cut off from the export busi-

ness and the other by Mr. J. J. Arnold, Vice-President and Manager of the First National Bank of Chicago.

## FAR EASTERN OPENINGS

Then to indicate how much readjustment and adaptation to changed conditions are needed in the Far East, a careful statement prepared by Hon. E. T. Williams, Chief of the Division of Far Eastern Affairs of the Department of State, has been included.

It is hoped that by assembling this data from various sources and grouping it in a manner that makes it accessible to various lines of business, this issue of *THE NATION'S BUSINESS* will serve to create added determination on the part of our manufacturers and exporters to use the unquestionable opportunity, but not for a moment to doubt that we shall be met by very wholesome competition on the part of those countries that are not cut off from the commerce of the world.

No thought should be held of temporarily occupying foreign markets, but all steps should be based upon



MAP OF THE TWO HEMISPHERES SHOWING THE DISTRIBUTION OF PLANTS YIELDING OFFICIAL DRUGS.

ed as necessities (let us mention electrical goods as an illustration) the European war has demonstrated the impossibility of one nation remaining indifferent to the fate of another.

A century ago when the United States was more distinctly agricultural, the disturbance of our equilibrium by the European struggle of that day was slight when compared with the present disturbance. It is true that we can provide a sufficiency of food for our people, but the increasing industrial development of the United States requires that the industrial portions of our population should be kept busy in order to have money with which to buy food. The outbreak of war showed scarcely any industry of a complicated character to be totally independent of Europe for some one or more features involved in manufacture. Consequently, the European disturbance is our disturbance in that many industries have halted temporarily. It is likewise our disturbance in that if we hope to keep our industries busy we must find ad-

ditional market for their products. This leads to the definite conclusion that the trade of the world must within the next two years adapt itself to more marked readjustment than at any time in its previous history.

It is true that we shall be subjected to greater trade demands in all probability than ever before in our history, but it is also true and should be borne in mind by those who are considering world markets, that countries still free to export will go more widely into the world markets. In order to make this clear, this issue of *THE NATION'S BUSINESS* includes for the study of our manufacturers and exporters a broad statement of world commerce in order that conclusions may be drawn relative to world opportunity. The imports and exports of Germany and Austria-Hungary, France, England and Russia are broadly detailed.

All the trade of England, France and Russia with Germany is cut off. This sudden stoppage will affect Russia more definitely than it will England and France for the reason that Russia will be limited in its export possibilities almost exclusively to its

access to South America which has hitherto been theirs.

But the mention of these various articles does not indicate that a similar market is immediately available for the United States, for the reason that European commerce with Central and South America has been based first upon European assistance in financing; second, European capital in development; and third, European capacity to use the raw materials of export from Central and South America. The South American situation, therefore, while unquestionably offering a large field for American trade and enterprise, will carry with it a responsibility for American finance, American investments and an increased capacity of America to consume the raw materials of commerce offered by South America.

We have included in this issue of *THE NATION'S BUSINESS* two statements relative to the establishment of financial institutions in South America; one prepared by an official of the National City Bank of New York City,

a determination to hold such trade as we gain; for the reason that a temporary gain in trade would only lead to a second readjustment on our part when the increased trade began again to decline.

## Suggestion to Our Readers

This issue of *THE NATION'S BUSINESS* can be made of value to each line of industry by adopting the following method of research. 1. Look through the list of embargoes to see what countries can no longer supply the line in which the manufacturer is interested. 2. Look through the articles of contraband to find the countries to which certain lines of export can not be made, or only under risk. 3. Look through the statistics of European countries printed on pages 5 to 7, and then the statistics of South American countries shown in detail on pages 10 and 11. Then the reader will be in a position to form an opinion as to whether there is the likelihood of an increased international demand for his product.

# German and Austrian Statistics of Imports and Exports Analyzed

In the present condition of ocean commerce Germany and Austria cannot readily place in foreign markets the goods which heretofore they have been supplying.

**I**N order to make clear in the public mind those features of business which will be hindered by the inability of Germany to receive imports in large quantities, a thorough analysis of the German import situation based upon the last available statistics is here included. It would appear that those countries which have been supplying to Germany the materials it required for its highly organized industrial and commercial life must find markets elsewhere than in Germany.

Using the situation in Great Britain as a guide to certain conclusions, it must be apparent that if Great Britain disposed of over \$200,000,000 worth of merchandise to Germany in 1912, she is likely to have available for disposition in other parts of the world probably an equal amount. It must also be apparent that in the case of those countries not at war with Germany the difficulty of finding a market in Germany renders available for the needs of the rest of the world those things that hitherto have been sent into Germany. It is this phase of uncertainty in the commercial situation that should receive the most deliberate consideration by our manufacturers. There must of necessity arise a great readjustment of distribution, the advantage lying with that country which can adjust itself most rapidly and that has no disturbance of war or fear of war within its borders.

## Principal German Imports, 1913\*

Agricultural products and foodstuffs	\$1,730,184,500
Mineral raw materials	271,812,500
Manufactures of fats, oils and wax	6,678,500
Chemical and pharmaceutical products	107,596,250
Textile materials and manufactures	201,127,750
Leather and leather goods	40,914,250
Rubber goods	6,600,750
Plated goods not of textile fibres	2,146,000
Brooms, brushes, etc.	653,750
Manufactures of wood, etc.	19,004,750
Paper and paper goods	7,836,500
Books, statuary, pictures, etc.	11,234,250
Manufactures of stone	8,116,250
Earthenware	1,673,500
Glassware	4,445,000
Precious metals and manufactures thereof	7,424,750
Base metals and manufactures thereof	172,353,000
Machinery and electrical goods	35,084,750
Firearms, clocks, toys, etc.	9,171,000
Total	\$2,673,058,000

## Specific German Imports, 1913

### Agricultural

Horses	\$27,401,000
Eggs	47,534,000
Wheat	107,364,250
Rye	11,023,500
Barley	101,738,750
Maize (Indian corn)	26,538,000
Hides, skins	113,082,000
Pork, lard	28,180,000
Linseed	44,475,750
Brass	41,044,500
Butter	30,780,750
Coffee, raw	62,254,000
Tobacco, raw	36,742,500
Rubber	33,050,250
Total	\$701,225,250

From the above figures it will be seen that the shutting off of a large portion of the imports of Germany will affect many lines of industry. It is noteworthy how large a proportion of agricultural products and broad-

stuffs Germany has been in the habit of importing. In fact, these products exceed by over \$800,000,000 all other imported products combined.

### Metals—Minerals

Coal	\$48,481,000
Lignite	10,503,250
Iron ore	58,179,000
Nitrate	42,586,500
Copper	87,896,250
Total	\$233,626,500

The supply of nitrate will be cut off by the suspension of activities in Chile. The importation of copper will be limited, resulting in the necessity of supplying nations finding other copper markets.

### Textiles

Cotton, raw	\$146,822,000
Wool	32,255,000
Woolen yarn	20,840,750
Raw silk	36,209,000
Total	\$236,126,750

The difficulty of reaching the German cotton market will throw back on the American market at the outset a heavy unused balance. There is no reason to suppose, however, that all industries in Germany have come to a full stop, for clothing is a necessity. If access to Germany ports can be secured, a market for textiles of all kinds will be revived.

## Countries of Origin of German Imports, 1912

### Opposed to Germany

Belgium	\$96,000,000
France	138,059,000
Great Britain	210,654,750
Russia (Europe and Asia)	381,962,500
Finland	9,217,250
British Africa (W. and S.)	46,445,750
Algeria	7,884,250
British India (Malacca, etc.)	139,247,250
Japan	10,783,250
Canada	14,533,500
Australia	69,178,250
Total	\$1,123,065,000

The above figures show how immense has been the demand Germany has placed upon other countries for its needed supplies. The closing of the German market to the products of the nations with which it is at war will of necessity throw the products of those countries into other markets which up to the present have not developed so great a demand as Germany. Certain of these markets, like those of Great Britain, Russia, France and Japan, can hardly be expected to take up immediately the slackening down of the German market. Consequently, the endeavor will be made to find markets throughout the world for those things which Germany is not able to take.

## Leading Imports from Britain (In round figures.)

Cottons and yarn	\$40,000,000
Woolens and yarn	31,000,000
Alpaca, etc. yarn	8,000,000
Wool	5,000,000
Iron work	10,000,000
Herrings	10,000,000
Machinery	10,000,000
Coal, coke, etc.	20,000,000
New ships, etc.	2,000,000
Total	\$136,000,000

The above figures are included in order that our manufacturers in America may understand thoroughly

that unless English mills slacken there will be much material for which England must find markets throughout the world.

### At Peace with Germany

Denmark	\$6,515,750
Greece	1,213,250
Italy	70,133,000
Netherlands	8,252,250
Norway	13,038,750
Austria-Hungary	267,014,250
Portugal	1,620,000
Romania	41,541,250
Sweden	53,496,750
Switzerland	51,135,000
Spain	47,451,250
Turkish Empire	16,488,500
Egypt	27,010,500
China	28,810,750
Netherlands India	53,723,750
Argentina	111,210,000
Bolivia	9,260,750
Brazil	78,208,250
Chile	52,441,250
Cuba	2,875,000
Guatemala	7,400,500
Mexico	8,895,500
Uruguay	12,575,250
United States	398,490,000
Total	\$2,453,918,250

The countries at peace with Germany have held important relation to supplying Germany's needs, as the above figures show. It will be seen that the trade of those opposed to Germany is \$1,123,065,000 and of those at peace with Germany is \$2,453,918,250, thus showing that the trade of those countries at peace altogether amounts to \$1,300,000,000 more than the trade of those countries now positively shut out from the German market.

**T**HE following groups of figures are intended to detail for the information of American manufacturers and producers, the leading lines of German exports, which of necessity are temporarily cut off from the world's supplies. The great lines of German exports are more definitely in the direction of finally manufactured products than in the direction of foodstuffs or crude materials. This is evidenced by the groups of figures below. The distribution of those types of manufacturing and of scientific perfection which have characterized Germany in the world's markets are the groups that offer to the adaptable manufacturing impulse of the United States the greatest opportunity.

## Principal German Exports, 1913

Agricultural products and foodstuffs	\$132,030,250
Mineral raw materials	217,451,250
Manufactures of fats, oils and wax	1,309,750
Chemical and pharmaceutical products	230,103,500
Textile materials and manufactures	390,137,500
Leather and leather goods	138,304,750
Rubber goods	32,071,000
Plated goods not of textile fibres	2,080,000
Brooms, brushes, etc.	3,078,750
Manufactures of wood, etc.	41,117,750
Paper and paper goods	65,679,750
Books, statuary, pictures, etc.	26,201,750
Manufactures of stone	8,532,750
Earthenware	28,106,750
Glassware	46,506,000
Precious metals and manufactures thereof	18,421,750
Base metals and manufactures thereof	176,399,000
Machinery and electro-technical goods	282,948,500
Firearms, clocks, toys, etc.	58,382,250
Total	\$2,512,655,000

## Specific German Exports, 1913

### Agricultural

Sugar	\$16,081,000
Wheat, skins	10,250,000
Rye	33,233,000
Wheat	6,812,000
Total	\$10,380,000

It should be noted in connection with the above figures that agricultural products and foodstuffs exported by Germany are less than one-fourth of the amount of those agricultural products and foodstuffs imported. On the other hand, she exports nearly eight times as much machinery and electro-technical goods as she imports; more than twice as much chemical and pharmaceutical products; nearly twice as much textile materials and manufactures; and nearly three times as much base metals and manufactures thereof.

The narrow line of agricultural exports referred to above is the point of interest for the United States. The sugar which Germany has been exporting, arising from the expert management of her beet sugar factories, is for the time being entirely removed from the world's supply, which would seem to indicate a possibility of reviving more fully our own sugar industry at present going through a period of adjustment to the new tariff.

### Metals—Minerals

Coal	\$128,450,000
Machinery	35,519,750
Iron and iron goods	8,852,500
Coke	31,211,500
Telegraph cable	21,788,750
Copper wire	334,813,750
Total	\$262,026,250

Three fields are offered by the above list: the enlarged field for American machinery, for telegraph cable and for copper wire. The last two if utilized by the United States as an opportunity will mean more complete use of our copper than has hitherto been possible while we exported copper mattes.

### Textiles

Cottons	\$7,501,500
Woolens	73,201,250
Socks	19,148,750
Silk goods	26,000,000
Clothing	28,555,750
Cotton, raw	8,080,500
Total	\$252,917,750

Such fields as German textiles have occupied will be more widely open to the cotton manufactures of the United States than seemingly to any other country, for the nations at present warring are the great textile manufacturing nations.

### Miscellaneous

Books	\$4,611,500
Gloves	10,250,000
Aniline dyes	10,250,000
Beer	1,000,750
Total	\$208,917,250

The miscellaneous group referred to above has in it the greatest single challenge to American adaptability that the war will offer. The world has learned to depend upon Germany for aniline dyes. The crude material out of which they are manufactured is easily secured in this country. Much

\*Note.—The statistics are from the Statistical Year Book, all calculations being based on one mark as equivalent 25 cents.



## Germany and Austria

(Continued)

of it now goes to waste, some in the smoke of Bee Hive coke ovens and some in the crude elements of coal tar which have not been subjected to the thorough research upon which Germany has based its industries.

## Destination of German Exports

## Opposed to Germany

Belgium	\$124,321,750
France	174,381,250
Great Britain	290,855,000
Russia (Europe and Asia)	16,037,250
Finland	20,851,750
British Africa (W. and S.)	1,012,750
Algeria	1,316,250
British India (Malacca, etc.)	30,217,000
Japan	27,091,250
Canada	1,343,500
Australia	21,844,750
Total	\$886,346,500

## At Peace With Germany

Denmark	\$63,548,250
Greece	4,723,500
Italy	100,200,500
Netherlands	152,127,500
Norway	36,178,250
Austria-Hungary	238,812,750
Portugal	16,551,750
Romania	32,025,250
Sweden	40,353,750
Switzerland	1,301,115,000
Spain	28,236,000
Turkish Empire	26,000,000
Egypt	4,909,750
China	20,425,250
Netherlands India	18,038,000
Argentina	30,852,500
Bolivia	3,075,500
Brazil	40,207,750
Chile	28,000,750
Cuba	7,177,750
Guatemala	1,641,000
Mexico	11,067,250
Uruguay	9,623,000
United States	174,397,500
Total	\$1,286,176,750

## Leading Exports to Britain

(In round figures.)

Sugar	\$3,000,000
Glass and manufactures	5,000,000
Eggs	1,000,000
Cottons and yarn	29,000,000
Woolens and yarn	12,000,000
Iron and steel and manuf.	28,000,000
Machinery	11,000,000
Wood manufactures	1,500,000
Total	\$90,500,000

## Austro-Hungarian Exports, 1913

THE following statistics deal with the common customs district of the Austro-Hungarian Empire and are followed by statistics pertaining solely to the commerce of Hungary. These statistics are set forth in American values based upon a crown as equal to twenty cents.

## Agricultural

Sugar	\$8,570,000
Pace	27,474,100
Barley	1,271,200
Cattle	8,824,400
Horses	3,097,800
Red leather	3,818,000
Hops	7,295,200
Beans	2,791,600
Fowl	3,912,200

## Metals—Minerals

Coal	\$2,005,400
Metal manufactures	1,678,600
Lignite	15,285,000

## Miscellaneous

Sawn timber	\$11,418,800
Rough	18,170,800
Leather gloves and shoes	12,124,000
Beer	4,794,000
Glass and glassware	1,952,800
Woolen yarn	1,207,800

## Destination of Exports

## Opposed to Austria-Hungary

Belgium	\$5,237,200
France	10,854,000
Great Britain	52,050,000
Russia (Europe and Asia)	18,216,000
British India (Malacca, etc.)	12,080,800
Serbia	8,605,800

## At Peace with Austria-Hungary

Greece	\$4,080,800
Italy	47,879,800
Netherlands	5,878,000
Germany	24,581,400
Romania	20,880,000
Switzerland	23,457,400
Turkish Empire	20,328,400
Egypt	6,387,000
Netherlands India	180,000
Brazil	2,764,400
United States	12,777,000
Republics of America	5,070,000

## Principal Austro-Hungarian Imports, 1913

## Agricultural

Eggs	\$13,703,000
Wheat	550,400
Maize (Indian corn)	16,720,000
Hides, skins	25,114,200
Hog's lard and bacon	69,800
Flax	1,477,400
Rice	7,248,400
Coffee, raw	18,078,000
Tobacco, raw	9,312,000

## Metals—Minerals

Coal, coke, etc.	\$32,505,400
Copper	12,732,000

## Textiles

Cotton, raw	\$67,211,400
Wool	28,205,000
Silk and manufactures	22,881,000
Flax, hemp and jute	17,182,000

## Miscellaneous

Prints and books not bound	\$11,114,200
Machinery	16,167,400

## Countries of Origin

## Opposed to Austria-Hungary

Belgium	\$11,291,200
France	23,950,000
Great Britain	49,134,600
Russia (Europe and Asia)	45,792,000
British India (Malacca, etc.)	30,862,800
Serbia	8,154,300

## At Peace with Austria-Hungary

Greece	\$4,451,800
Italy	32,332,200
Netherlands	5,140,200
Germany	28,118,800
Romania	20,488,800
Switzerland	18,233,800
Turkish Empire	14,639,600
Egypt	7,275,200
Netherlands India	7,540,600
Brazil	16,001,800
United States	60,715,000
Republics of America	18,205,800

## Imports of Hungary, 1912

Cottons	\$39,507,400
Machinery	26,162,400
Woolens (also semi-woolen goods)	25,118,200
Iron ware	18,270,000
Leather, prepared	15,159,200
Coal	13,010,200
Clothes (for men and women)	11,286,400
Leather goods	10,777,200
Maize	8,315,600
Raw metals	7,988,400
Silks (also semi-silk goods)	6,744,000
Cotton yarn	6,390,200

## Exports of Hungary, 1912

Cereals	\$62,328,600
Flour (wheat)	54,570,000
Cattle (homed)	35,520,000
Swine	18,035,400
Wine	13,571,200
Raw sugar	13,010,000
Wood, sawn and hewn	13,274,200
Sugar (refined)	8,901,000
Grease (lard, bacon, butter, also margarine)	7,504,400
Eggs (also killed)	6,887,000
Horses	6,691,000
Eggs	6,533,600

## The Commerce of Great Britain

In connection with each group of figures the running comments upon German statistics should be considered.

## United Kingdom, 1913\*

Total Imports	\$3,691,303,200
Exports of British produce	2,522,212,800
Exports of Foreign and colonial produce	526,348,800

## Total Exports

Total Exports	\$3,048,961,600
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## Principal Imports

Food and Drink:	
Wheat	\$210,532,000
Wheatmeal and flour	30,470,400
Maize	66,096,000
Barley	38,759,600
Oats	27,326,400
Animals, living (for food)	1,464,000
Bacon	83,659,200
Beef (fresh, salted, etc.)	90,600,000
Mutton (fresh, salted, etc.)	53,409,600
Butter	115,093,200
Cheese	33,768,000
Eggs	46,036,800
Fruits (fresh and preserved)	76,320,000
Sugar (refined and unrefined)	100,715,600
Tea	66,356,000
Wine	19,931,600

## RAW MATERIALS:

Iron ore	\$33,816,000
Coal and timber	102,187,200
Cotton, raw	338,740,000
Wool, sheep or lambs	164,529,600
Petroleum	52,128,000
Rubber	98,520,000
Oil seeds (Cotton, Flax or Linseed and Rape)	59,404,800

## MANUFACTURES:

Iron and steel and manufactures thereof	\$73,108,800
Copper (regulus, wrought, manufactures etc.)	48,374,400
Tin (blocks, ingots, bars, and slabs)	41,409,600
Yarns and textile fabrics and apparel	254,218,000
Leather, undressed	28,156,800
Leather, dressed, varnished, etc.	22,888,800
Motor cars and parts thereof	35,572,800

## Source of British Imports, 1913

## Opposed to United Kingdom

Germany and possessions	\$389,270,400
Austria-Hungary	37,003,200
Total	\$426,273,600

## At Peace with United Kingdom

Russia	\$169,720,000
Norway	68,227,200
Denmark and possessions	35,866,000
Netherlands and possessions	115,478,400
Belgium and Congo	134,035,200
France and possessions	112,459,200
Switzerland	237,508,800
Portugal and possessions	53,136,000
Spain and possessions	23,516,000
Italy	76,636,800
Greece	39,038,400
Bulgaria	10,286,400
Serbia	321,600
Romania	38,400
Turkey (E. and A.)	9,607,200
Egypt	26,259,200
Tripoli	102,748,800
Tunis	240,000
Morocco	4,424,400
Libya	1,528,400
Persia	273,600
Siam	2,064,000
China (excluding Hong-Kong, Macao and Wei-Hei-Wei)	2,481,600
Japan and Formosa	22,435,200
Korea	21,662,400
United States and possessions	4,800
Haiti and San Domingo	17,649,600
Mexico	1,291,200
Guatemala	9,028,800
Honduras (Sp.)	1,713,600
San Salvador	4,800
Nicaragua	591,600
Costa Rica	600,000
Colombia	6,840,000
Panama	5,854,800
Venezuela	249,600
Ecuador	2,662,800
Peru	2,355,200
Chile	15,250,200
Uruguay	35,512,000
Brazil	48,307,200
Bolivia	13,697,200
Argentina	10,800,000
Paraguay	203,990,400
British possessions	43,200
Total	\$1,265,089,600

## Imports from Germany

Items of German manufactures imported into the United Kingdom in 1913 were:

Aerated and mineral waters	\$742,000
Basketware	104,000
Brooms and brushes	787,000
Buttons and studs	1,730,000
(and \$228,000 from Austria)	
Motor cars and parts	6,585,000
Cordage	635,000
Cotton gloves	351,000
Cotton lace	54,188,000
Artificial flowers	15,160,000
Implement and tools	801,000
Jewelry	549,000
Leather gloves	1,836,000
Machinery belting	4,320,000
Wrought iron tubes	2,243,800
Steel girders	1,928,000
Pianos	3,402,000
Silk, mixed with material "brocade" stuffs	8,237,000
Silk ribbons	2,332,000
Toys and games	5,729,000
Woolen hosiery	1,511,000

## Principal Exports

## UNITED KINGDOM PRODUCE:

Fish	\$36,004,800
Coal	243,489,600
Iron and steel and manufactures	
Pig and puddled iron	23,294,400
Tinned plates and sheets	34,660,800
Galvanized sheets	48,134,400

## Total iron, etc. including items specified

Cotton yarn	260,774,400
Cotton piece goods	72,033,600
Other cotton manufactures	469,540,800
Woolen and worsted yarn	61,326,400
Woolen tissues	25,727,600
Worsted tissues	60,441,600
Linen piece goods	29,702,400
Apparel (including boots, hats, etc.)	28,046,400
Foreign and Colonial Produce:	
Food and drink	78,844,800
Cotton, raw	75,297,600
Wool (including woolen rags)	43,886,400
Hides and skins	65,155,200
Rubber	71,212,800
Tin	29,505,600

## Destinations of Exports

## Opposed to United Kingdom

BRITISH	FOREIGN
Germany and possessions	\$108,288,000
Austria-Hungary	21,513,600
Total	\$129,801,600

## At Peace with United Kingdom

Russia	\$86,656,800
Sweden	39,518,400
Norway	29,510,400
Denmark and possessions	29,083,200
Netherlands and possessions	29,083,200
Belgium and Congo	109,684,800
France and possessions	65,083,200
Switzerland	155,366,400
Portugal	20,270,400
Spain and possessions	29,030,400
Italy	46,728,800
Greece	70,108,800
Bulgaria	12,182,400
Serbia	2,265,600
Romania	182,400
Turkey (E. & A.)	9,325,400
Egypt	37,161,600
Tripoli	47,073,600
Tunis	667,200
Morocco	2,275,200
Libya	1,022,400
Persia	432,000
Siam	3,465,600
China (excluding Hong-Kong, Macao and Wei-Hai-Wei)	6,494,400
Japan and Formosa	71,270,400
Korea	806,400

\* Based upon Statisticians Year Book and on \$4.80 as equivalent a pound sterling.

## Great Britain—Continued.

Japan and Formosa	69,391,000	1,420,800
Korea	1,200,000	4,800
United States and possessions	1,630,304,000	145,444,800
Cuba	10,435,200	3,708,000
Haiti and Santo Domingo	1,360,000	24,000
Mexico	10,992,000	1,243,200
Guatemala	1,640,000	38,400
Honduras (Sp.)	609,600	9,600
San Salvador	1,569,600	24,000
Nicaragua	1,160,000	33,600
Costa Rica	1,137,000	48,800
Colombia	8,097,000	105,600
Panama	2,193,600	220,800
Venezuela	3,969,600	167,200
Ecuador	1,992,000	48,000
Peru	21,512,000	304,000
Chile	28,848,000	171,600
Brazil	50,812,800	2,664,000
Uruguay	14,001,600	450,000
Bolivia	1,737,600	76,800
Argentina	108,609,600	3,854,400
Paraguay	93,000	6,000
British possessions	937,479,000	65,179,200
Total	\$2,522,212,800	\$526,348,800

## France

FRENCH commerce will be seen by the following figures to have amounted to over three billion dollars in 1913. France, like Germany, conducts many highly specialized industrial plants whose activity will be seriously interfered with by the European war. French exports, however, will unquestionably be able to reach the consuming world very much as usual. Nearly one-fifth of all French exports are textiles and Paris goods. The values shown below are based upon a franc, valued at twenty cents, American money.

## French Commerce, 1913

IMPORTS	EXPORTS
United Kingdom	\$226,800,000
Belgium	114,040,000
Spain	57,260,000
United States	74,140,000
Germany	214,840,000
Austria-Hungary	20,100,000
Italy	47,620,000
Argentina	79,340,000
Russia	62,360,000
Algeria	66,120,000
Switzerland	27,680,000
Turkey	14,820,000
Brazil	39,200,000
Morocco	4,040,000
Other countries	520,000,000
Total	\$1,701,660,000

## Principal Imports

Wine	\$55,120,000
Wool	139,760,000
Cereals	122,680,000
Raw silk	63,460,000
Raw cotton	108,240,000
Timber and wood	37,380,000
Hides and furs	40,700,000
Coal and coke	115,040,000
Coffee	44,960,000
Oil seeds	2,100,000
Chemical products	27,720,000
Petroleum	28,960,000
Machinery	64,740,000
Raw Caoutchouc and gutta-percha	39,900,000
Copper	41,400,000
Flax	24,580,000

## Principal Exports

Textiles, woolen	\$42,260,000
Textiles, silk	139,760,000
Textiles, cotton	74,140,000
Wine	40,660,000
Raw silk and yarn	32,340,000
Raw wool	58,840,000
Paris goods, etc.	38,160,000
Leather	13,380,000
Linen yarn	8,560,000
Metal goods and tools	25,000,000
Butter	10,840,000
Ornamental feathers	11,740,000
Automobiles	43,500,000
Skins and furs	10,410,000
Refined sugar	10,520,000

## Russia

Russian commerce amounted last year to more than two billion dollars. The war will interfere with this commerce seriously. The following statistics are based upon a Russian ruble, valued at seventy-seven cents, American money.

Russian Imports, 1913	\$1,013,350,000
Russian Exports, 1913	\$1,299,350,000

THE main features of Russian commerce are of necessity related to her European and Black Sea frontier and to Finland. Only a very small proportion of her exports and imports come through her Pacific frontier; in fact, less than ten percent. The following figures relative to the main divisions of her commerce deal solely with the more active frontiers named.

Main feature of Commerce Europe and Black Sea frontier.

EXPORTS	IMPORTS
Articles of food	\$221,544,770
Raw and half-manufactured articles	423,971,710
Animals	25,398,450
Manufactured goods	23,443,420
Total	\$1,091,058,350

Wheat, flour, and buckwheat form nearly three-fourths of the total exports of articles of food. Eggs and dairy produce follow with these values: \$69,792,030 and \$54,792,430, respectively.

Of the raw and half-manufactured articles exported the principal ones are: Timber and wooden goods, naphtha and naphtha oils, flax, oil cakes, oleaginous and other grains, furs and leather, hemp, bristle, wool, silk, manganese ore, raw metals (chiefly platinum).

Of the manufactured goods exported, the leading items are: Gutta-percha, cottons, metallic goods, and wools.

The chief exports are: to Germany, cereals, eggs, timber and flax; to the United Kingdom, cereals, timber, eggs, and flax; to the Netherlands, cereals and timber; to France and Belgium, cereals and flax. Russia has been an important granary for the United Kingdom, Germany, the Netherlands and France.

As will be seen by the figures at the head, Russian imports in 1913 exceeded one billion dollars. The sources of imports by countries and dealing only with the imports on the European, the Black Sea and Finland frontiers, were as follows:

## At War with Russia

Germany	\$294,922,120
Austria-Hungary	26,667,410

The two countries with which Russia is at war were the sources of more than half of her great import total. The chief imports are, from Germany, machinery and wools; from United Kingdom, machinery and coal; from the United States and Egypt, raw cotton.

## At Peace with Russia

United Kingdom	\$1,317,170,000
United States	57,111,670
France	45,131,550
Finland	30,242,280
China	11,750,200
Italy	12,897,470
Netherlands	16,585,800
Egypt	4,563,330
East Indies	2,907,700
Norway	7,662,250
Belgium	6,623,850
Turkey	13,042,260
Denmark	2,192,460
Switzerland	4,339,050
Sweden	12,415,250
Other countries	32,393,000

## Contraband of War

American manufacturers should carefully consider the various contraband proclamations which have been issued by belligerents; also our comments upon shipments

## American Exports to Belligerents

The President's neutrality proclamations of August 4 and 5 indicate clearly that American manufacturers and exporters may trade freely with the countries now at war in articles which are contraband, including arms and munitions of war, as well as in those which are not contraband, without contravening the neutrality laws of the United States. Shippers are merely warned that contraband is exported at risk of hostile capture and incurring the penalties denounced by the law of nations in that behalf. The question of contraband, however, is finally determined in case of seizure or capture by the prize court of the country making such seizure or capture.

American shippers should hesitate to make shipments on their own behalf in vessels which may be carrying groups of reservists to join the forces of one of the countries at war and in some cases in vessels known to be qualified for auxiliary cruisers; such vessels may be liable to detention in this country as coming under that provision of the neutrality laws applicable to originating or organizing military forces in aid of a belligerent.

## Contraband

England, France, Germany, Austria and Russia, will consider the following articles contraband:

## ABSOLUTELY CONTRABAND

- (1) Arms of all kinds, including arms for sporting purposes, and their distinctive component parts;
- (2) Projectiles, charges, and cartridges of all kinds and their distinctive component parts;
- (3) Powder and explosive specially prepared for use in war;
- (4) Gun mountings, limber boxes, limbers, military wagons, field forges, and their distinctive component parts;
- (5) Clothing and equipment of a distinctive military character;
- (6) All kinds of harness of a distinctive military character;
- (7) Saddle, draught, and pack animals suitable for use in war;
- (8) Articles of camp equipment, and their distinctive component parts;
- (9) Armor plates;
- (10) Warships, including boats, and their distinctive component parts of such a nature that they can only be used on a vessel of war;
- (11) Aeroplanes, airships, balloons and aircraft of all kinds and their component parts together with accessories and articles recognizable as intended for use in connection with balloons and aircraft;
- (12) Implements and apparatus designed exclusively for the manufacture of munitions of war, for the manufacture or repair of arms, or war material for use on land and sea.

## CONDITIONALLY CONTRABAND

- (1) Foodstuffs;
- (2) Forage and grain suitable for feeding animals;
- (3) Clothing, fabrics for clothing, and boots and shoes, suitable for use in war;
- (4) Gold and silver in coin or bullion, paper money;
- (5) Vehicles of all kinds available for use in war, and their component parts;

(6) Vessels, craft, and boats of all kinds, floating docks, parts of docks and their component parts;

(7) Railway material, both fixed and rolling stock, and materials for telegraphs, wireless telegraphs, and telephones;

(8) Fuel, lubricants;

(9) Powder and explosives not specially prepared for use in war;

(10) Barbed wire and implements for fixing and cutting the same;

(11) Horseshoes and shoeing materials;

(12) Harness and saddlery;

(13) Field glasses, telescopes, chronometers, and all kinds of nautical instruments.

These lists follow the decisions of the London Conference of 1909.

Conditionally contraband articles are liable to capture only if shown to be destined for armed forces or for a government department. Articles not contraband are not liable to capture and condemnation.

In announcing an intention to follow the rules of the convention England made some reservations which include a statement that England reserves a right to seize conditional contraband if consigned to a merchant who is under the control of the authorities of the enemy, and regardless of the port to which the vessel is bound. The report of the committee which drafted the convention is to be considered by all British prize courts as an authoritative statement of the meaning and intention of the convention.

## ABSOLUTELY NON-CONTRABAND

Because the above governments have practically followed the lists contained in the convention, a third list, declaring articles which, in the opinion of the delegates at the conference, should not under any circumstances be declared contraband becomes of interest. The list is:

- (1) Raw cotton, wool, silk, jute, flax, hemp, and other raw materials of the textile industry, and their yarns;
- (2) Oil seeds and nuts, copra;
- (3) Rubber, rosins, gums, and lac, bops;
- (4) Raw hides and horns, bones, and ivory;
- (5) Natural and artificial manures, including nitrates and phosphates for agricultural purposes;
- (6) Metallic ores;
- (7) Earths, clays, lime, chalk, stone, including marble, brick, slates, and tiles;
- (8) Chinaware and glass;
- (9) Paper and papermaking materials;
- (10) Soap, paint, and colors including articles exclusively used in their manufacture and varnish;
- (11) Bleaching powders, soda ash, caustic soda, salt cake, ammonia, sulphate of ammonia, and sulphate of copper;
- (12) Agricultural, mining, textile, and printing machinery;
- (13) Precious and semiprecious stones, pearls, mother-of-pearl, and coral;
- (14) Clocks and watches other than chronometers;
- (15) Fashion and fancy goods;
- (16) Feathers of all kinds, hairs, and bristles;
- (17) Articles of household furniture and decoration, office furniture, and requisites.

# Embargoes Offer Opportunities to United States

Various belligerent countries and some countries now at peace, but dreading an exhaustion of resources, have made public to the world lists of products in connection with which their exports have ceased. The embargoes offer an immense trade opportunity to the United States in endeavoring to supply to the rest of the world those substances suddenly removed from the commerce of the leading export nations.

FOR the convenience of American manufacturers, the various articles under embargo have been classified broadly; some overlapping is unavoidable, as for instance, "food-stuffs generally" in some countries yields to specific detail in others. Sulphur will be found under metals and minerals; fulminate of mercury and picric acid though closely related to war materials will be found under chemicals. The asterisk after the word "England" indicates that the embargo applies only to countries with which England is at war.

## Chemicals and Hospital Supplies

ACETATE OF LIME—Germany.  
ACETONE—England.\* Germany.  
ALCOHOLS, ethylic—England, Holland.  
ALCOHOLS, methylic—England.  
ALKALISE, iodides—England.  
AMMONIUM CARBONATE—Holland.  
ANILINE SALTS—Germany.  
BELLADONNA and its preparations and alkaloids—England.  
BENZOL—England.\* Germany.  
BISMUTH and its salts—England.  
BORIC ACID—England.  
BROMINE AND ALKALINE BROMIDES—England.  
CAMPHOR—Germany.  
CARBOLIC ACID—England, Germany.  
CASTOR OIL—England.  
CELLULOSE—Germany.  
CHEMICALS, fine—England.  
CHLOROPHORM—England, Germany.  
CINCHONA BARK, QUININE AND ITS SALTS—England.  
COCA and its preparations and alkaloids—England.  
COLLOIDION—England.  
CORROSIVE SUBIMATE—England.  
CREOSOL and all preparations thereof (including cresylic acid) and nitro-cresol—England, Germany.  
DIGITALIS and its preparations—England.  
DIMETHYLANTHINE—England.  
DIPHENYLAMINE—Germany.  
ETHER, ETHYL CHLORIDE—England, Germany, Holland.  
FORMIC ALDEHYDE—England.  
FULMINE OF MERCURY—England.  
GLYCERINE, crude and refined—England, Holland.  
HEXANE and its preparations—England.  
IODINE and its preparations—England, Germany.  
IODOFORM—Germany.  
LYSOL—England.  
MATERIAL FOR BACTERIOLOGICAL CULTURES—Germany.  
MEDICINES AND HOSPITAL SUPPLIES—Holland, Italy, Switzerland (except serums and vaccines).  
MERCURY and its salts and preparations—England, Germany.  
MINERAL JELLIES—England.\*  
MORPHINE AND OTHER ALKALOIDS OF OPIUM—England, Germany.  
NITRATES OF AMMONIUM—England.\* Germany.  
NITRATE OF BARIUM—Germany.  
NITRATES OF POTASSIUM—England.\* Germany, Holland.  
NITRATES OF SODIUM—Germany, France.  
NITRIC ACID—England.\* Germany, Belgium, Holland.  
NUX VOMICA and its alkaloids and preparations—England.

Sir George Paish, editor of the London Statist and a distinguished economist, is credited with having uttered these remarks:

"A great war in Europe will enable the United States to sell its crops in places which will give much greater income than if there was no war. Almost every industry will derive more or less advantage.

"Should American people take advantage of the golden opportunity afforded them by the outbreak of the war it will mean not diminished but increased prosperity for the United States."

OPPIUM and its preparations—England, Germany.  
PARAGORMALDEHYDE—Germany.  
PHOSPHORIC CODRIN—Germany.  
PHOSPHORUS—Germany.  
PICRIC ACID and its components—England.\* Germany.  
PROTAGOL—England.  
PYRAZOLONUM PHENYLDIMETHYLICUM—Germany.  
SALICYLIC ACID AND SALICYLATES—England.  
SALTPETRE—England.\* France, Holland.  
SALVARSAN—England.  
SODA—Holland.  
SODIUM OXALATE—Germany.  
SULPHURIC ACID—England.\* Holland.  
SURGICAL INSTRUMENTS—Holland.  
SURGICAL BANDAGES AND DRESSINGS—England, Holland.  
TOLUOL—England, Germany.  
VACCINE for preventing and serums for preventing and curing infectious diseases—Germany.

## Foodstuffs

ANIMALS, LIVING, FOR FOOD—England, France, Germany, Portugal.  
BISCUITS, BREAD AND CAKES—England.  
BUCKWHEAT—Holland.  
BUTTER—England.  
CEREALS—Italy.  
CHIESE—England.  
CHILI—Holland.  
COCOA—Holland.  
COFFEE—Italy.  
CORN, GRAIN, RICE, PULSE, MEAL AND FLOUR OF ALL KINDS—England, Turkey.  
CONFECTIONERY OF ALL KINDS, and fruit jellies, excluding marmalade and jams—England.  
EGGS—England.  
FISH, FRESH, CURED, DRIED OR SALTED (But not including pickled)—England.  
FLOUR—Norway.  
FOODSTUFFS, GENERALLY—Egypt, Greece, Italy, Morocco, Norway, Portugal, Spain, Sweden, Turkey, Holland, (except cocoa and tapioca flour), Germany, Portugal (except wine), Russia.  
FRUIT, dried or otherwise preserved, without sugar, all kinds—England.  
GLUCOSE—England.  
GROATS—Holland.  
HAY—Holland.  
MARGARINE—England.  
MEAT OF ALL KINDS (including poultry, salted or in any way preserved—England, France, Australia.  
MILK, CONDENSED, sweetened or not—France.  
MOLASSES AND INVERT SUGAR—England, Holland.  
ONIONS—Holland.

OIL, olive—England.  
OLIVES—Greece.  
POTATOES—Norway.  
RICE—Japan, France (from Indo-China).  
RYE AND RYE FLOUR—Holland.  
SALT—Holland.  
SUGAR, unrefined—England, Italy, France.  
SUGAR, refined and candy—England, Italy.  
TEA (other than green)—England, Holland.  
VEGETABLES—England.  
WHEAT AND WHEAT FLOUR—Holland.  
WHEAT—Norway.

## Fuel and Fuel Oils

BRIGUETTES—Germany.  
COAL—Java, Norway, Sweden, Holland, Germany, Italy.  
COKE—Germany, Norway.  
FUEL, manufactured—Portugal.  
SPIRIT OF MOTOR SPIRIT (including Shell spirit)—England.  
LIGNITE—Germany.  
NAPHTHA—Russia.  
OIL, blast-furnace—England.  
OIL, coal tar—England, Germany.  
OIL, FUEL, SHALE—England.  
OIL, MINERAL, CRUDE, REFINED, ESSENCES AND HEAVY OILS—England, Germany, Holland, France, Belgium, Norway, Italy, Roumania, Sweden, Russia.  
PARAFFIN, soft—England.  
PETROLEUM, GAS AND FUEL OIL—England, Germany.

## Leather and Hides

FURS—Russia.  
HARNES AND SADDLERY of all kinds—England.  
HIDES AND SKINS—Germany, France, Italy, Turkey (kidskins), Russia.  
LEATHER—Italy, Spain, Sweden, Holland (except belting), Austria-Hungary (except fancy), Russia, Switzerland.  
MEN'S MARCHING AND SHOOTING BOOTS—England.  
PELTS, common furs—Austria-Hungary.  
SHEEP AND GOAT SKINS—Russia.

## Metals and Minerals

ALUMINUM AND ALLOYS—England.\* Germany.  
ANTIMONY—Holland, Germany.  
ASBESTOS—England.\*  
BARBED WIRE—England.  
BRASS—Belgium.  
CHROME AND FERRO-CHROME—England.\*  
COPPER, ore or wrought, all kinds—England.\* Belgium.

COPPER AND BRONZE, unwrought and in rods, sheets, plates, and shaped pieces, in wire, wire cords and cables—Germany.

FARRIER'S, CARPENTER'S, WHEELERS' AND SADDLERS' TOOLS—England.  
GOLD, COINS AND BULK—Holland.  
HORSE AND PONY SHOES—England.  
IRON AND STEEL of all kinds—Germany.

LEAD in all forms—England (pig, sheet and pipe only), Holland, Belgium.

MANGANESE—England.\*  
MICA—England.\*  
MOLYBDENUM—England.\*  
NICKEL (German silver) and FERRO-NICKEL—England, Belgium.  
PEWTER—Belgium.  
PORTABLE FORGES—England.  
POTASH—Holland.  
SCORIAE FROM METAL SMELTING AND CUPREOUS PYRITES CONTAINING IRON—Germany.

SULPHUR—England.\* Belgium.  
TIN AND TIN WARE—Germany.  
TUNGSTEN (Wolfram metal)—England, Germany.  
VANADIUM—England.  
ZINC—England, Belgium.

## Miscellaneous

BLACKING FOR STRAPS—Switzerland.  
CAOUTCHOUC—Germany.  
ENGINE AND BOILER PACKINGS—England.\*  
FRIGORIFIC MACHINES AND APPARATUS—France.  
GUTTA PERCHA AND BALATA—Germany.  
INDIA RUBBER SHEET, VULCANIZED—England.\*  
LADDERS—Germany.  
LUMBER—Russia.  
ROSIN—Germany.  
ROPE, STEEL WIRE, AND HAWSERS—England.\*  
RUBBER GOODS—Italy.  
SACKS, COAL—England.  
SEEDS—Russia.  
TURPENTINE OIL—Germany.  
WOOD PULP, mechanically and chemically prepared—Germany.

## Scientific Apparatus

BACTERIOLOGICAL APPARATUS—Germany.  
CABLES, telegraph and telephone—England.\*  
COMPASSES and parts thereof, including fittings, such as binnacles—England.\* Germany.  
ELECTRICAL COMPASS TELE-TRANSMITTERS—Germany.\*  
FIELD GLASSES AND TELESCOPES—England, Germany.  
HELIOGRAPHY—England.  
MATERIAL FOR TELEGRAPHS, WIRELESS TELEGRAPHS, AND TELEPHONES—England, Switzerland.  
RANGE-FINDERS and parts thereof—England.\*  
SOUNDING MACHINES AND GEAR—England.\*

## Textiles and Clothing

CLOTH, HEMPEN—England.\*  
CLOTHING—Italy, Sweden, Switzerland.  
COTTON of all kinds—Holland, Germany.  
COTTON CLOTH—Italy.  
COTTON WASTE—England, France.  
FLAX—Germany.  
GLOVES, heavy—Switzerland.

(Continued on page 13.)



# Marshalling Facts for Promoting Foreign Trade

## The Work of the National Chamber

IF the Chamber of Commerce of the United States had done nothing since its organization in 1912 but prepare for business men to come into cooperative touch with the Government, at this moment of urgency, it would have completely justified all the efforts that have been made. The disturbed condition of business resulting from the European war found the machinery ready and the common basis of contact already in existence in Washington.

It was realized immediately by the officials of the National Chamber that a remarkable condition confronted the United States, a condition that could be made to react in its favor, or that could pass by unused. Consequently, no efforts have been spared to bring together facts for the guidance of American business or to cooperate with the various departments of the Government in efforts they are making to serve American business. Its services are being continued day by day both in general bulletins, in legislative bulletins and in personal correspondence. Furthermore, as one of the early endeavors of the Chamber of Commerce of the United States, the commercial organizations of the nation were called upon to vote in November 1913 on a referendum relative to the broadened scope of the Bureau of Foreign and Domestic Commerce in the Department of Commerce. From the initiation of this movement, the Chamber has cooperated with Secretary Redfield in all directions that offered added efficiency. As a result of the earnest interest taken in this matter by the commercial organizations of the nation, supporting the initiative of Secretary Redfield, he was by the last appropriation bill given additional funds for active commercial promotion throughout the world and particularly in South America. Most fortunately these funds became available at a time of urgent need. The appointment of commercial attaches is under consideration; several commercial agents have been sent in various directions to study trade conditions, and the special appropriation for South America is in process of use. This timely equipment is to be credited to increasing contact between business and the Government.

### STUDYING FOREIGN HINDRANCES

In addition, it is pertinent at this moment to draw attention to another referendum vote taken by the National Chamber on trust legislation, last April. The seventh recommendation of the Committee on Trust Legislation in that referendum was:

"That Congress should direct the Commission to investigate and report to Congress at the earliest practicable date on the advisability of amending the Sherman Act to allow a greater degree of cooperation in the conduct and for the protection of the foreign trade."

The Federal Trade Commission bill as laid before the President has this provision in Section 6:

"(b). To investigate from time to time trade conditions in and with foreign countries where associations, combinations or practices of manufacturers, merchants or traders or other conditions may affect the foreign trade of the United States and to report to Congress thereon with such recommendations as it deems advisable."

The above quoted paragraph of Section 6 is aimed at providing the Government with a fuller understanding of the limitations that are placed upon our foreign trade when in competition with other countries where combina-

tions are permissible, as for instance in Germany where trade is influenced by the German "cartels."

### EVERY COOPERATION OFFERED

The entire machinery of the Chamber of Commerce of the United States has been rendered available to organization and individual members who were in any way affected by conditions precipitated through the European war.

As detailed in the last issue of THE NATION'S BUSINESS, the Executive Committee of the Chamber met in New York, August 13, in Washington with Secretary McAdoo on August 14. Again the Chamber participated in the conference of August 19 relative to the reports growing out of the meeting of August 14.

Since then a Committee to deal with emergency conditions has been created in the National Chamber. The Chairman of the Committee is Frederick Bode of Chicago. Those associated with him are: L. C. Boyd of Indianapolis, Franklin Conklin of Newark, N. J., Wm. H. Douglas of New York City; John Joy Edson of Washington, D. C.; Charles Nagel of St. Louis; R. G. Rhett of Charleston, S. C.; and John H. Fahey of Boston.

On August 24 and 25, members of the Chamber were present at the cotton conference called by Secretary McAdoo, and also at the general conference relative to South American trade promotion, called by the Secretary of State and later presided over by the Secretary of Commerce on September 10. The brief notice given relative to this conference prevented a full representation of South American countries. There were in the conference three representatives from the Chamber of Commerce of the United States; three from the Foreign Trade Council of New York City; the National City Bank of New York was represented, and several consuls and consuls general from South American countries were present. The Ministers from Argentina, Brazil and Chile could not be present.

### FOREIGN TRADE COMMITTEE

The Secretary of Commerce has organized a Committee of 19 to meet with representatives from South America and consider the question of a second conference. In this Committee are the following representatives of the Foreign Trade Council:

James A. Farrell, President of the United States Steel Corporation; E. P. Thomas, President of the United States Steel Products Company; Willard Straight of J. P. Morgan and Company; J. P. Grace of W. R. Grace and Company; Wm. E. Peck of W. E. Peck Company; William Schall of Muller and Schall; Daniel Warren of American Trading Company; J. H. Maddell of Hard and Rand; Wm. Bayne, President of the New York Coffee Exchange.

The following members of the National Chamber are in the Committee: former President of the Chamber, Harry A. Wheeler, Vice-President of the Union Trust Company of Chicago; Albia B. Johnson, President of the Baldwin Locomotive Works, Philadelphia, and General Chairman of the Chamber's Committee on Latin American Trade; Captain Robert Dollar of San Francisco, Chairman of the Chamber's Committee on Oriental Trade; Wallace D. Simmons of the Simmons Hardware Company, St.

Louis and Philadelphia, and Chairman of the Chamber's Committee on Currency and Banking and a former Vice-President of the National Chamber; and Lewis W. Parker of Greenville, S. C., President of the Parker Cotton Mills Company, and a member of the Chamber's Special Committee on the Department of Commerce.

The following are also members of the committee: William A. Gaston, President National Shawmut Bank, Boston; John Barrett, Director of the Pan-American Union; Fairfax Harrison, President Southern Railway; W. B. Campbell, President Perkins Campbell Company, Cincinnati, and Dr. Clarence J. Owens, Managing Director of the Southern Commercial Congress.

THE headquarters of the National Chamber and the Department of Commerce were deluged during the early days of the war with inquiries relative to particular fields for particular goods; and also with inquiries almost inconceivably general in character. Individual replies became impossible. Consequently, the officials of the Chamber began the preparation and distribution of an important series of bulletins. These bulletins have been going forward twice a week to all organization and individual members.

### BULLETINS AN IMPORTANT SERVICE

The program laid out for the bulletins by the officials of the chamber has been based on the knowledge that the war would cause certain unoccupied foreign markets, particularly as applied to the exports of Germany and Austria, which would of necessity be kept from world markets for a period. Therefore, the bulletins are taking up—and they have already been distributed in relation to Argentina, Brazil, Chile, Ecuador, Peru, Bolivia, Venezuela, and Central America—all facts obtainable relative to total imports, the portion of imports secured from Germany and Austria, the value of such imports and their character.

### DESIRABLE INFORMATION AT ONCE CIRCULATED

On the other hand, the exports of these countries to Germany and Austria were defined in order to show just what was available for the United States; for it was realized and emphasized that imports into these countries must be balanced by such exports as they were in the habit of shipping.

The bulletins also included mention of immediate requirements that had been ascertained by cablegrams to the bureau of foreign and domestic commerce; the markets that were required for the exports of these countries, their financial condition, their terms of credit, their lists of merchants, the steamship lines and sailings of the lines connecting the United States with the countries mentioned, and the customs duties. Where full details were not given, reference was made to indicate to each reader just where he could secure them.

### BULLETINS TO REPORT WORLDWIDE CONDITIONS

This bulletin service, after covering South America and Central America in detail, will take up Australia, New Zealand, South Africa, Japan,

China, British India, and ultimately Europe.

Because of the promptitude with which the bulletin service has been put out, and the thoroughness with which it has been prepared, it has enabled various lines of business to make definite calculations relative to extended trade, and has led to correspondence dealing with actual problems of shipment.

### ANSWERING KNotty QUESTIONS

Direct responses relative to business matters have been made in every direction and satisfactory answers given to the very complicated questions of embargo, contraband, moratorium, etc., in connection with which business men needed enlightenment.

The highly efficient organization in Washington has been rendered constantly available for all interests involved. The rapidity with which information has been secured and transmitted, both in relation to general subjects and specific inquiries, has given to every office calling on this organization for information the actual equivalent of its own office opened in Washington.

The officials of the national chamber are now in consultation as to the best methods of getting information from consuls so as to get at the subject of trade promotion through the specific information which the consuls can furnish.

### Committee on Merchant Marine

The Chamber of Commerce of the United States has just appointed a committee on Merchant Marine, consisting of the following:

#### SHIPPIERS

William H. Douglas, of Arkell & Douglas, export and commission merchants, New York, Chairman; George L. Duval, of Wessel-Duval & Company, export and commission merchants, New York; H. A. Black, Pres., Blum Hardware Company, Galveston; Bernard J. Rothwell, Pres., Bay State Milling Company, Boston; R. H. Swayne, of Swayne & Hoyt, San Francisco, Cal.; Crawford H. Ellis, Southern Manager, United Fruit Company, New Orleans, La.; H. E. Pennell, Chairman, Rivers, Harbors and Navigation Committee of Portland Chamber of Commerce, Portland, Oregon.

#### ADMIRALTY LAWYERS

Thomas L. Stitt, Attorney, Vice-Chairman, Foreign Trade Committee of Chicago Association of Commerce; Harvey D. Goulder, of Goulder, Day, White and Garry, Cleveland, Ohio.

#### ECONOMISTS

Edwin J. Clapp, University of New York, New York City; J. Russell Smith, University of Pennsylvania, Philadelphia, Pa.

### Admirable Thoroughness

"The publications of the Chamber of Commerce of the United States seem to me to be admirable not only in the thoroughness with which they cover matters of interest but in the excellent condensation of matters in the General Bulletin and also in the Legislative series. In a word, I do not see how the publications could be bettered or changed with any advantage to the members of the Chamber of Commerce." Alexander McLean, Oregon Pine and Lumber Company, Chicago.

### Most Useful

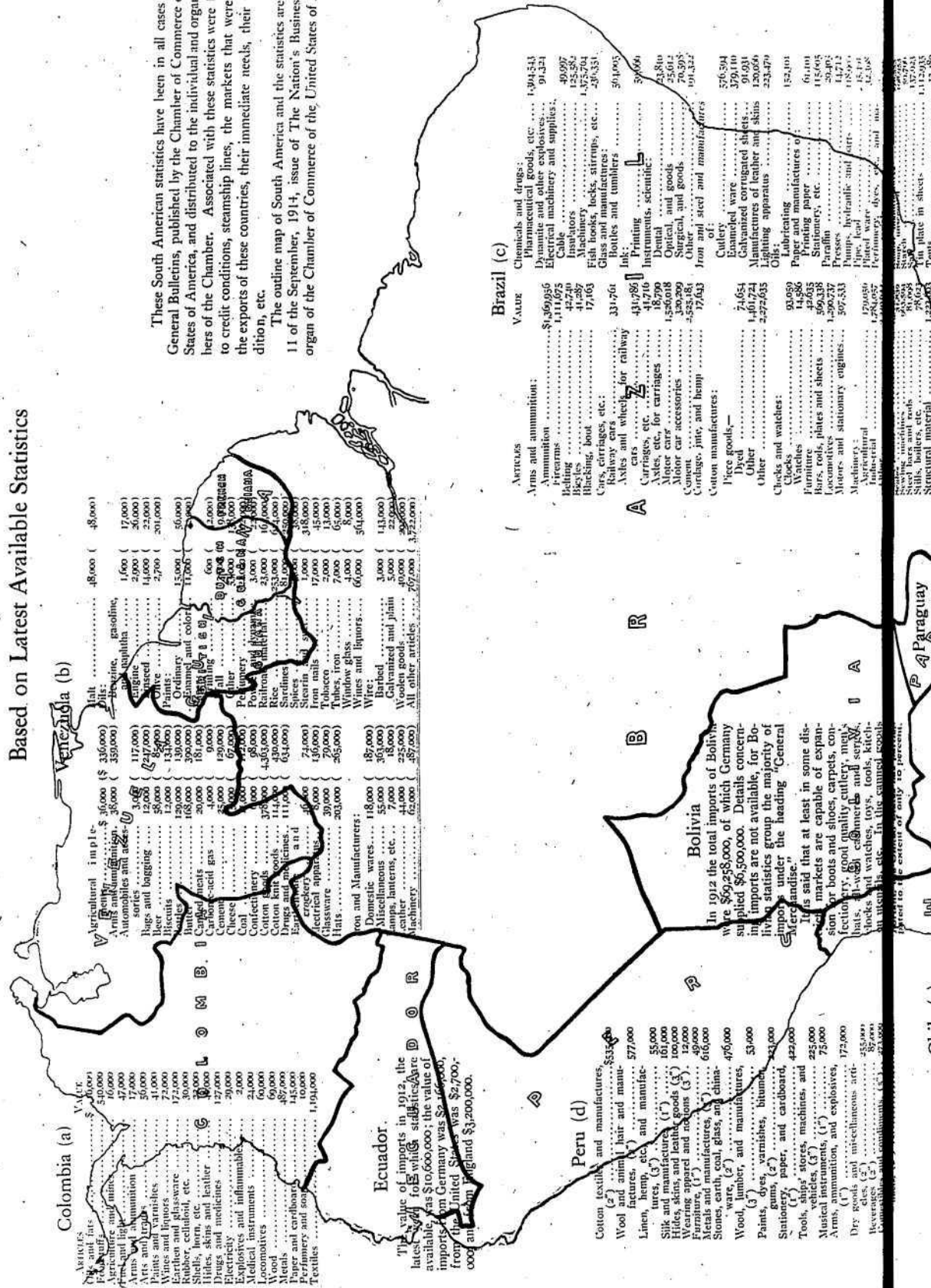
"That most useful of all business organizations in the United States, the National Chamber of Commerce." LEONARD WOOD, Review.

# Table of South American Imports from Germany

Based on Latest Available Statistics

These South American statistics have been in all cases embodied in General Bulletins, published by the Chamber of Commerce of the United States of America, and distributed to the individual and organization members of the Chamber. Associated with these statistics were full details as to credit conditions, steamship lines, the markets that were required for the exports of these countries, their immediate needs, their financial condition, etc.

The outline map of South America and the statistics are pages 10 and 11 of the September, 1914, issue of *The Nation's Business*, the official organ of the Chamber of Commerce of the United States of America.



## Chile (e)

**ARTICLES**  
Bottles for liquor  
Cars for portable and aerial rail-ways  
Cement, Roman  
Coal  
Coffee, grain  
Cotton, common, prepared with  
Cotton, waters and oil  
Cotton goods  
Cotton yarn  
Glassware  
Iron and steel and manufactures  
Wire  
Iron articles for domestic use.  
Pipes, tools, tubes, etc.  
Nails  
Railway couplings and plates  
Iron and steel, wrought, in bars,  
plates, sheets, etc.  
Locomotives and tenders  
Machinery, implements, etc.  
For arts and sciences  
Mining  
Agricultural  
Industrial  
Household  
Wares  
Parts  
Materials for Longitudinal Rail-ways  
Metals, other than iron and steel  
Mineral water  
Oil, kerosene, kerosene, kerosene  
Oils, lubricating, kerosene, kerosene  
Paraffin, kerosene, kerosene  
Paraffin, kerosene, kerosene  
Paraffin, kerosene, kerosene  
Petroleum, kerosene, kerosene  
Rails for railways  
Railway freight cars  
Ships  
Sails  
Iron and steel, galvanized  
Sugars  
Sulphur  
Refined  
White  
Granulated  
Raw  
Tanned  
Woolen goods  
Woolen yarn

## Argentina (f)

ARTICLES	VALUE
Automobiles	\$ 822,315
Bagging	68,137
Beams, iron	136,067
Beverages, miscellaneous	108,335
Bills and pamphlets	97,815
Books	907,885
Bricks	133,623
Brick, paving	110,249
Bridge materials	110,249
Carrriages and accessories	466,335
Cases and parts of	256,135
Cement, hydraulic	
Chemical and pharmaceutical products:	
Candles, stearin	104,675
Medicinal preparations	209,685
Perfumery	86,690
Phenol	1,700
Cigars	2,000,135
Coal	381,430
Cotton and silk goods	275
Cotton and woollen goods	275,302
Cotton goods, made up	407,315
Cotton goods, made up	407,315
Cotton, raw	101,435
Cotton issues:	175,245

[illegible]

Argentina—(Continued.)

Iron and steel wire, plated; (with bronze, copper, nickel or other metal)	
Iron bars and sheets	
Iron, galvanized	
Iron, wrought, miscellaneous	
Jewelry, fine, except watches and loose precious stones	
Railway materials	
Bulbs	
Sardines	
Sieves and nuts	
Seed	
Alfalfa	
Other kinds	
Shells	
Spirits and cordials	
Sugar	
Refined	
Other	
Tea	
Threading machines, with or without motor	
Tobacco	
Tobacco, leaf	
Tramway materials	
Watches	
Gold	
Silver	
Other kinds	
Wool, raw	
Wool, manufactured	
Made up	
T-shirts, all wool	

## Footnotes

a. Colombia. The 1912 imports from Germany were \$1,200,000; England \$7,800,000; United States \$7,600,000. The items shown are for 1911.

b. Venezuela. In 1912 the imports of Venezuela were valued at \$20,568,000, of which Germany supplied \$3,199,000. The figures shown are for 1912. The figures in parentheses represent the total value imported from all countries.

c. Brazil). In 1912 Brazil received from Germany imports valued at \$5,052,200; from the United Kingdom \$7,592,200; from the United States \$4,000,000; from Austria \$1,380,000. The items shown are for 1912.

e. Chile. The total imports of Chile were \$20,000,000 in 1973. Germany supplied \$2,000,000; England about \$8,000,000; the United States about \$20,000,000. The items shown are for 1972.

f. Argentina. In 1973 the German imports were \$28,000,000. The items shown here for 1972 when the value of imports from Germany was \$21,703,000.

e. Uruguay. The total value of imports in 1913 was \$2,500,000. Imports from Germany in 1911 were \$2,820,000. The items

The trade of the Gambia has not been regarded as important enough to report in detail.

Uruguay ( $\sigma$ )

men: Underwear	12,000
Casimir	116,000
Mixtures	10,000
Yarn	12,000
all:	
Ribbons	17,500
Sewing	6,000
Mixture cloth	12,000
laiderdastery	11,000
ollars and cuffs	10,000
men's clothing	

Wagner's clothing  
Wardrobe  
Wholesale  
Amiline dye  
Prussian blue  
Paints  
Acids  
Drugs  
Chemicals  
Chlorine  
Carpeting  
Carpenter's planes  
Furniture  
Acordeons  
Pianos  
Printing paper  
Stationery supplies  
Sawdust  
Cardboard  
Calf skin  
Patent leather  
Iron in bars, etc.  
Galvanizing  
Machinery for flour  
Machinery for saw  
Woodworking machinery  
Galvanized iron  
Gutlines and beams  
Hoops  
Hardware  
Jewelry  
Clocks  
Type  
Tape  
Rags  
Glassware  
Porcelain  
China  
Photographic supplies  
Sleeping bags  
Articles for use in



## Iron and Steel Exports, 1913

THE following figures, compiled from official sources, contrast our iron and steel shipments to Europe with those we make to South America. They will prove useful for those manufacturing all forms of iron and steel:

	EUROPE	SOUTH AMERICA
Pig iron.....	\$ 851,258	\$ 35,130
Scrap iron.....	402,400	11,298
Bar iron.....	307	1,030
Steel wire rods.....	16,430	30,470
All other rods.....	1,709,014	30,470
Boilers, etc., of steel.....	3,405,719	27,508
Boiler plates.....	380,535	150,022
Beams.....	402,358	300,491
Hinges, etc.....	1,152,491	120,553
Cor. sheets.....	23,077	50,127
Castings.....	499,212	40,702
Razors.....	143,502	95,282
Table cutlery.....	14,091	88,553
All other cutlery.....	142,281	130,265
Bath tubs.....	10,010	14,728
Lavatories and sinks.....	6,719	126,338
All other enamel ware.....	44,284	733,310
Fire arms.....	730,427	68,072
Hoops and scrolls.....	4,143	61,131
Horse shoes.....	312	1,478
Adding machines.....	751,792	81,292
Air compressors.....	91,312	9,810
Drummers' machinery.....	25,330	126,338
Cash registers.....	2,039,007	733,310
Cotton gins.....	150,004	68,072
Cream separators.....	49,070	61,131
Elevators and machinery.....	333,536	362,010
Electric locomotives.....	3,024	24,053
Stationary engines, gas.....	703,090	35,405
Automobile engines.....	971,758	230
Marine engines.....	540,015	197,002
Stationary engines, gasoline.....	69,548	413,419
Traction engines, gasoline.....	914,347	37,226
Steam locomotives.....	24,090	2,053,807
Marine engines, steam.....	106	11,724
Stationary engine, gas.....	62,050	140,628
Traction engine parts.....	78,288	114,150
All other engines.....	274,304	551,541
Laundry machinery.....	624,149	68,673
Lawn mowers.....	168,001	11,748
Metal working machinery.....	12,588,677	571,910
Milling machinery.....	271,224	210,725
Mining machinery.....	3,377,815	1,029,375
Paper mill machinery.....	153,817	8,530
Printing presses.....	832,030	250,043
Pumps and machinery.....	1,074,078	512,861
Refrigerating machinery.....	42,050	161,767
Sewing machines.....	4,230,012	3,261,832
Shoe machinery.....	1,127,103	479,322
Sugar mill machinery.....	4,010	341,868
Textile machinery.....	842,181	148,044
Type-setting machines.....	625,362	333,669
Typewriting machines.....	7,811,259	1,097,123
Wind mills.....	102,564	640,250
Saw mill machinery.....	41,060	122,605
Other woodworking machinery.....	522,682	144,138
All other machines.....	4,687,854	1,795,298
Nails and spikes, cut.....	715	97,078
Railroad spikes.....	682,222	62,450
Nails and spikes, other.....	391,020	68,141
All other nails and spikes.....	78,445	90,993
Pipes and fittings.....	4,128,037	1,088,005
House heating appliances.....	10,147	405
Steel rails.....	96,849	2,868,307
Railway materials.....	150,133	675,655
Scales.....	13,477	30,388
Scales and balances.....	255,179	207,612
Sheets, galvanized.....	3,487,113	1,481,212
Sheets, all other.....	20,017	488,107
Sheets, steel plates.....	6,827,222	1,010,721
Sheets, steel.....	400,000	836,438
Stoves and parts.....	147,430	193,305
Structural iron and steel.....	364,746	944,000
Tin plates, etc.....	4,740	703,075
Tools, axes.....	29,430	803,530
Trails, hammocks and blankets.....	187,038	107,150
Saws.....	522,020	131,581
Shovels and spades.....	3,082	17,103
All other tools.....	3,583,110	1,287,000
Wire, barbed.....	98,237	1,053,517
Wire, all other.....	29,320	1,010,721
Wire, woven fencing.....	30,843	65,020
Wire, manufactures.....	310,110	188,511
All other manufactures.....	4,314,177	1,525,893

"There must be a desire on the part of the foreigner to buy, then an ability to buy." *American Metal Market and Daily Iron and Steel Report.*

## The South American Dry Goods Market

The absorptive capacity of the South American countries in the direction of textiles of all kinds is portrayed here with statistics brought together by The Dry Goods Economist. The question of increasing the share of the United States in this market is one of extreme moment to manufacturers of Textiles and therefore to the growers of cotton.

### Dry Goods Exports from Germany

	To	Argentina	Brazil	Chile	Peru
Cotton wicks, etc.....	\$ 17,250	\$ 8,000	\$ 17,500	\$ 2,750	
Cotton yarns.....	211,000	340,000	152,500	10,250	
Cotton piece goods.....	2,468,500	2,440,250	975,500	29,025	
Cotton knit underwear.....	115,000	42,750	27,500	6,750	
Cotton hosiery.....	1,391,250	594,750	660,000	233,250	
Cotton wearing apparel.....	304,500	477,000	181,000	48,500	
Oilcloth, etc.....	75,250	132,500			
All other cotton manufactures.....	727,750	545,750	240,750	118,750	
Flax, hemp and jute yarns.....	63,500	88,000	35,750	18,750	
Flax, hemp and jute piece goods.....	218,000	140,750	110,000	8,250	
Flax, hemp and jute wearing apparel.....	139,750	134,250	11,750	16,750	
All other manufactures of flax, etc.....	127,250	270,750	95,250	3,250	
Footwear, artificial flowers, millinery of mixed textiles.....	116,750	87,750	149,500	12,000	
Oilcloth, etc.....	75,250	132,500		4,000	
Carpet.....	25,750	18,250			
Silk yarns.....	175,250	140,750	20,000	8,750	
Silk piece goods.....	661,250	417,500	151,500	54,250	
Silk knit goods.....	97,000	25,750	13,500	5,000	
Silk wearing apparel.....	40,000	61,750	23,000	10,000	
All other manufactures of silk.....	533,750	508,500	188,000	69,250	
Woolen yarns.....	438,500	244,000	333,000	48,250	
Woolen piece goods.....	1,550,500	661,250	1,328,500	249,250	
Woolen knit underwear, etc.....	103,500	29,250	47,250	15,750	
Woolen hosiery.....	230,250	118,250	53,250	10,750	
Woolen carpets.....	131,750	87,750		6,000	
Woolen wearing apparel.....	461,500	168,000	97,500	16,000	
All other manufactures of wool.....	1,250	1,250	500	1,500	

### Dry Goods Exports from United Kingdom

	To	Argentina	Brazil	Chile	Peru
Cotton yarns.....	\$ 780,085	\$ 846,170			
Cotton piece goods, including flags, handkerchiefs, etc.....	15,810,675	8,480,200	\$4,999,375	\$2,071,835	
Cotton lace, patent net and articles thereof.....	798,020	606,000	144,110	61,660	
Cotton sewing thread.....	984,655	1,683,400	445,255	216,820	
Trimnings.....	15,710	18,810			
Unenumerated cotton manufactures.....	937,200	251,675	200,175	60,750	
Cordage, cables, rope, twine.....	814,300	200,515	203,770	50,425	
Felt hats, bonnets trimmed and untrimmed.....	102,325	30,165	63,410		
Jute yarns.....	127,065	27,335	61,725		
Jute manufactures.....	203,465	1,495,090			
Silk manufactures.....	1,483,405	14,110	171,015	124,765	
Woolen yarns.....	356,315	200,485			
Woolen and worsted manufactures.....	7,781,510	1,918,505	3,094,150	760,750	
Flannels and delaines.....	61,020	5,565			
Carpets.....	359,685	254,090	42,690		
Rugs.....	18,025	1,780			
Woolen blankets.....			17,245		
Woolen hosiery.....	251,895		15,115		
Woolen apparel, waterproof.....	174,100	105,050	18,205		
Woolen apparel not waterproof.....	1,011,270	675,880	520,315		
Unenumerated manufactures of wool.....	924,985	427,465	448,875	117,995	

### Dry Goods Exports from France

	To	Argentina	Brazil	Chile	Peru
Hemp, etc., yarns and cordage.....	\$ 47,204	\$ 54,810	\$ 36,068		
Cotton yarns.....	238,182	11,390			
Woolen yarns.....	391,680	587,214			
Silk yarns and cordage.....		1,065			
Hemp, jute and fibre fabrics.....	130,737	105,504	50,987	\$ 420	
Cotton fabrics, handkerchiefs, etc.....	1,081,500	233,307	90,500		
Cotton curtains.....	57,600	35,000			
Cotton blankets.....	25,400	15,350			
Cotton knit goods.....	970,450	816,600	227,500		
Trimnings.....	128,800	100,480			
Wicks.....	312,000	144,000	351,200		
Oilcloth.....	78,480	14,700			
Miscellaneous cotton manufactures.....	2,038	864			
Women's wearing apparel.....	430,000	185,813	489,310	630	
Men's wearing apparel.....	100,400	108,000	237,150		
Women's silk wearing apparel.....	7,139,092	2,012,672	219,912		
Other silk wearing apparel.....		95,200	30,160		
Other silk manufactures.....		15,720			
Woolen knit goods.....	1,122,825	208,000	201,728		
Blankets.....	80,100	55,100	60,100		
Felt slippers.....	5,020	21,280			
Mixed fabrics.....	457,600	18,800			

### Dry Goods Exports from United States

	To	Argentina	Brazil	Chile	Peru
Cotton cloth.....	\$ 140,000	\$ 120,417	\$ 689,406	\$ 126,074	
Corsets.....	50,070	22,030	3,030	10,327	
All other cotton wearing apparel.....	120,770	134,150	31,215	34,678	
Cotton knit goods.....	30,007	10,025	17,593	11,096	
Cotton yarns.....	88,813	17,266	18,050		
All other cotton manufactures.....	66,850	79,313	47,200	15,025	
Flax, hemp, etc., yarns.....	75,482	125	82	957	
Flax, twine and cordage.....	2,075,385	118,368	50,420	86,897	
All other manufactures of flax, etc.....	178	68	2,227	1,251	
Silk manufactures.....	36,000	7,027	1,159		
Woolen wearing apparel.....	126,647	2,112	350	1,161	
All other manufactures of wool.....	6,810	605	15,330	1,284	

The United States statistics are for the fiscal year ending June 30, 1914; those for the United Kingdom are for the year 1913, and those for Germany and France are for the year 1912. The total imports into South America for the year 1912 were: Argentina, \$375,307,805; Bolivia, \$10,308,506; Brazil, \$34,243,726; Chile, \$122,075,441; Colombia, \$23,064,623; Ecuador, \$11,294,704; Paraguay, \$5,124,438;

Peru, \$25,006,354; Uruguay, \$51,355,100; Venezuela, \$20,508,939. The billion dollars.

## Embargoes—Continued.

HEMP—Germany.  
Hose—Switzerland.  
Jute—Germany.  
SILK BRAID—England.  
SILK CLOTH, SILK BRAID, SILK  
THREAD, SUITABLE FOR CARTRIDGES—  
England.  
SILK ROILS—England.  
Wool, carded or combed or not—  
Germany, Russia.  
WOOLEN GOODS AND YARN—Switzer-  
land.  
WORSTED CLOTH—Italy.

## Transportation Materials

AEROPLANES, AIRSHIPS, BALLOONS of  
all kinds and their component parts—  
England,\* France.  
BICYCLES—Holland.  
FOUR-WHEEL WAGONS, capable of  
carrying 1 ton and over—England.  
MACHINES and parts, adapted for  
sea and aerial navigation—France.  
MOTORS—Italy, Austria-Hungary.  
MOTOR VEHICLES—Italy, Roumania,  
Sweden, Holland, Belgium, France,  
Switzerland.  
PNEUMATIC TIRES—France.  
RAILWAY MATERIAL, both fixed and  
rolling stock—England, Germany,  
Austria-Hungary.  
SHIP-BUILDING MATERIALS, for iron  
and steel vessels—Sweden.  
SHIPS RIGGINGS, SAILS, TACKLES,  
etc.—France.  
STEAM VESSELS, LIGHTERS, AND  
BARGES of all descriptions—England,\*  
France.  
TWO-WHEELED CARTS, capable of  
carrying 15 cwt. and over—England.  
VEHICLES moved by horse power—  
Holland.

## War Materials

ACCOUTREMENTS—England.\*  
ANIMALS, PACK, SADDLE, AND  
DRAUGHT, suitable for use in war—  
England,\* France, Portugal, Holland  
(except colts).  
ARMS, RIFLES, of all kinds, and their  
component parts—England.\*  
ARMOUR PLATES, ARMOUR QUALITY  
CASTING, and similar protective material—  
England.\*  
CAMP EQUIPMENT—England.\*  
CANNON AND OTHER ORDNANCE  
AND PARTS THEREOF—England.\*  
CARBONS required for searchlights—  
England.\*  
CARRIAGES AND MOUNTINGS FOR  
CANNON AND OTHER ORDNANCE AND  
FOR MACHINE GUNS, AND PARTS THERE-  
OF—England.\*  
CARTRIDGES, charges of all kinds,  
and their component parts—England,\*  
Holland.  
COTTON suitable for use in the  
manufacture of explosives, guncotton  
—England,\* Germany.  
DYNAMITE—France.  
EXPLOSIVES of all kinds—England,  
Holland.  
GUNPOWDER—England.  
IMPLEMENTS AND APPARATUS DES-  
IGNED EXCLUSIVELY FOR THE MANU-  
FACTURE OF MUNITIONS OF WAR, FOR  
THE MANUFACTURE OR REPAIR OF  
ARMS, OR OF WAR MATERIAL FOR USE  
ON LAND AND SEA—England.\*  
MINES, and parts thereof—Eng-  
land,\* Holland.  
NETS, TORPEDO—England.  
PROJECTILES of all kinds and their  
component parts—England.  
SWORDS, BAYONETS AND OTHER ARMS  
(not being fire arms) and parts there-  
of—England.\*  
TORPEDOES and parts thereof, TOR-  
PEDO TUBES—England.  
UNIFORM CLOTHING AND MILITARY  
EQUIPMENT—England.\*  
WADDING—Germany.  
WALNUT WOOD of scantling which  
could be made into rifle butts and fore-  
ends—England.\*

## Reciprocal Bank Exchanges Now in Operation

THE National City Bank has well to add here that reports in the ordinary course of the mails cannot be made in less than two months, but whenever an immediate report is desired, the request and answer can be cabled. In this connection, the Foreign Trade Department of the National City Bank will be glad to register the cable address of business concerns in this country, both in New York and with the South American branches, and will gladly extend to manufacturers and exporters the facilities afforded by its special cable code. It is suggested also that representatives of United States business houses register their names at, and keep in touch with the South American branches of the bank, so that, if desired, the home house can cable at any time through the bank, and reach its representatives.

Third, Trade Information, Reports on Trade Opportunities, Work in Aid of the Development of Markets for United States Exports: Connected with the staff of each of its branches, the National City Bank plans to have a special trade representative or commercial attaché. It will be the duty of the trade representative to study systematically the local markets, to investigate promising trade opportunities, and to assist in preparing the way for the business of the United States. It is expected that the commercial representative, working with the credit men, will be in a position in time to give valuable and confidential advice and information to representatives and salesmen of firms in the United States which will facilitate their business.

The general trade field will be thoroughly covered: the more important articles of import into the South American countries will be the subject of the first studies. It is planned that the commercial representative shall carefully prepare reports covering the general export field, and these reports, as prepared, will be published from time to time in THE AMERICAS. Where there are of unusual importance to the trade, immediate letters or bulletins will be the means of conveying the information.

Special reports will be prepared upon request of the bank's patrons. As a concrete illustration of what it is proposed to do along this line, assume that a firm here should ask for a report upon the possibilities for the development of trade in Argentina in a particular line of machinery. The commercial representative would investigate the possibilities of the market by ascertaining the number of such machines imported in the past, from what countries they had come, the importations as shown in the Custom House during the present year, and possible future demand for such machines. He would obtain prices of foreign machines, and a description of the machine, its capacity, and its talking points. He would, if no machine made here were in use, endeavor to ascertain whether any prejudice existed against these machines and the reason. He would furnish a list of dealers in foreign machines, and endeavor to interest these dealers to the point of being willing to consider the made-in-the-United-States machine; preparing the way for salesmen from this country.

The commercial representative will also be in a position to furnish information regarding trade laws and customs, foreign customs regulations, instructions in regard to packing, and will be able to adjust minor difficulties, and be in a position to report concerning disputes arising over the refusal of consignees to accept shipments.

In connection with the service for the encouragement of trade, it has been

suggested that libraries be provided in the various branches for the catalogues of exporters in the United States.

The commercial representatives will be, as their name implies, representatives of the commercial interests of the United States, whose sole business will be the furtherance, in every legitimate way, of trade between the Americas.

Fourth, Dissemination of Information, and General Bureau in Aid of Trade: In order to disseminate to the business interests of the United States the information collected, it is proposed to publish from time to time *The Americas* devoted to the development of trade between the two Americas. \*\*\*

## A Western View

That there is great need for improved banking facilities of the United States in South America has long been recognized by those interested in the development of trade with the Republics of that continent. European nations doing business with our Southern neighbors not only recognized the advantages of having banking institutions of their own for the facilitating of this business but were in a position to establish such institutions. The success of their efforts has only intensified our need.

When the Federal Reserve act was made a law the first real opportunity for the creation of American Banking Institutions abroad was given this country. Two plans of action have been made available. In the first place, member banks are authorized to establish branches in foreign countries. The question of international trade is one which is of national importance, and cannot be confined to any one section of our country, and our banking facilities abroad on this account should be free from even a suggestion of sectional preference or prestige. In the past the trade of the United States with South America has been financed through foreign banks. If a member bank established branches in foreign countries, the services of such branches to be placed at the disposal of all of our country's alike, there could be no objection to this plan. If on the other hand such an institution would use these facilities for the purpose of drawing American Banking business to its head office, then the plan would become offensive to other American banks.

The other plan makes it possible for the Federal Reserve Board, when organized to establish foreign banking facilities such as may be found necessary for the benefit of the entire country.

I am quite convinced that the central west is entirely in sympathy with this idea, which has recently been advocated by so prominent an authority as Mr. George M. Reynolds, President of the Continental and Commercial National Bank of Chicago.

As already stated, foreign trade development is a national question and under the Federal Reserve Branch plan, not only the responsibility but also the benefits accruing therefrom would be properly distributed.

The Illinois Bankers' Association at its recent convention authorized the appointment of a committee on foreign trade for the purpose of studying and aiding in the development of our foreign banking connections, and it is the hope that other associations will do likewise. In this way it is believed the bankers' views on the subject can best be focused and concentrated. JOHN J. ARNO, D.



# Full Statement of Far Eastern Trade Conditions

By Hon. E. T. Williams, of the State Department

At the moment when the United States needs to have foreign trade conditions presented in their true light so as to obviate any unwarranted assurance and yet at the same time to prompt enthusiasm, we are able to include an article on Far Eastern trade conditions from the pen of Hon. E. T. Williams, Chief of the Division of Far Eastern Affairs, in the Department of State. Mr. Williams spent a total of twenty-seven years in the Far East in various diplomatic capacities

**T**HAT Americans can and ought to increase their trade with the Far East is undoubtedly true, but we must not deceive ourselves into the belief that there will be any great or rapid increase in that trade.

The whole situation needs to be considered very carefully. The door of opportunity has stood open for many years, and yet Americans have shown very little desire to enter in. There are several reasons for this which need not be discussed now.

Our total trade with the three principal countries of the Far East, Japan, China and Siam, in 1913 amounted to \$203,530,038 of which our exports to the Far East amounted to \$84,340,731 in value, while our imports from that region totalled \$119,189,307. Our total trade with China was less than it was in 1911 and our imports into China were not only less than they were in 1911 and 1912, but less than they were in 1909, 1907 and 1908.

The present war in Europe, of course, affects the situation very materially. The supplies which these three countries have been accustomed to receive from Europe will probably be cut off in good degree for some time to come, and we ought to be able therefore to take the place of Europe in furnishing them.

## China

**W**ITH regard to China, however, it must be remembered that that country has been in a more or less disturbed condition since 1911. This condition has begun to tell upon her export trade. In order to buy, China must have something to sell. But production has fallen off, and less than usual is being transported to the coast ports for shipment abroad, so that China's purchasing power is lessened. Silver is again quite low. This, in ordinary times, would encourage her export trade, but recent reports indicate that the goods are not at hand in usual quantities for shipment. The low price of silver on the other hand is a hindrance to the shipment of imports into China, since more silver dollars are needed to make up the gold prices quoted. The chaotic condition of the money markets of the world have further increased the difficulties of the situation. During the last year, 1913, there was a considerable increase in imports into China which were not fully distributed owing to the disturbances in certain provinces and the decline in purchasing power of the population in the interior. This has left a surplus in the ports which it will take some months to work off.

All these things lessen the demand for foreign goods. Nevertheless, even though the market be restricted, there will be some demand for the things which we can supply.

The total import of foreign goods into China in 1913 was worth \$416,218,067, of which the United States contributed \$25,801,855. The belligerent nations, Great Britain, Russia, Germany, Austria, Belgium and France contributed \$12,601,506. I omit Japan's contribution because there seems to be no reason to anticipate that Japan will not be able to conduct her trade very much as usual, making due allowance for the effect of

the monetary disturbance, which must equally affect all participants in the trade. I also omit statistics of the British colonies. In 1912 the total imports into China were \$350,000,000, of which the European nations now at war supplied \$97,071,394.

## GREAT TEXTILE MARKET

Of the ninety-seven millions over eleven millions are accounted for by white shirtings, supplied chiefly by Great Britain. The United States that year sent no more than \$5,000 worth of such goods to China. Other items purchased of the belligerent nations were \$130,331 worth of drills, \$340,120 in sheetings, and \$2,537,016 in jeans of which most was supplied by Great Britain. The United States already holds the lead in sheetings, supplying 1,700,000 pieces in 1913 out of a total of 1,915,000, and of drills we supplied 521,403 pieces out of a total of 764,000. In 1912, however, we were far outstripped by Japan which sent 827,033 pieces as against our 454,320. Of jeans we delivered nothing into China in 1912, and Japan furnished but 20,842 pieces, while Great Britain sent 1,061,618 out of the total of 1,170,866. In T. cloths also Great Britain takes the lead, having in 1912 supplied 752,783 pieces of the total of 1,180,500. We furnished none of this total while Japan sent 151,512 pieces.

There seems to be, therefore, a fair chance for the increase of our trade in certain lines of cotton goods after the present stocks in Shanghai are sold, but we must not forget that in other varieties we shall have to meet Japanese competition as usual. It must be mentioned too that the Chinese are very conservative and do not readily forsake an old brand for a new.

We must not imagine that the Chinese will be readily induced to buy a substitute for that to which they are accustomed.

We sold 25,208,080 lbs. of cotton to China in 1912 and imported 6,387,842 lbs. from China, the latter of cheaper grade than American cotton, being found useful in certain manufactures.

Our export of cotton to China fell off in 1913, but with the Panama Canal now open and the mills of Europe making small demands, it may seem worth while to increase our shipments to China if the low price of silver does not make the price prohibitive to Chinese mills. In cotton yarn we can hardly hope to compete with Japan and India whence most of the 358 million pounds came to China in 1913. Heretofore we have sold but little cotton thread to China, but her purchases amount to over half a million gross of spools per annum, valued at \$750,000. The bulk of this appears to come from Great Britain and Belgium.

## MISCELLANEOUS IMPORTS

China imported 474,120 tons of sugar in 1913 worth \$26,922,000, but the United States can scarcely hope to compete with Hongkong, the Dutch Indies and Japan in this trade.

There will doubtless be a demand for rice, since France has placed an embargo on exports of this article from Indo-China. Siam and British India supply small amounts and a con-

siderable quantity comes from Japan.

Although China produces rice in large quantities, it is insufficient for her needs. In 1913 the imports amounted to 360,993 tons worth \$13,631,528. The United States itself imports rice and, although we also sell to Europe, it is unlikely that China can pay a price that will justify shipment there. We have sold large quantities of wheat flour to China, but the flour trade fluctuates greatly. This year the destruction of crops in south China by floods will doubtless increase the demand. In 1912 the import was 427,000,000 pounds for which we supplied 113,523,733 pounds valued at \$2,431,327.

There is a growing market in China for iron and steel manufactures of all sorts. The United States already enjoys a good share of the trade, but with European supplies cut off, there ought to be considerable increase in our sales. We sent nearly 3 million pounds of bar iron to China in 1913 and over 4 millions in 1912, but this was only one-twelfth of the total import. In 1912 we sold nearly 13 million pounds of nails and rivets, but this was less than half of the import. There is opportunity for an increase in the sale of all sorts of iron goods and hardware. The same is true of glass and glassware.

China imported in 1912, 205,647 boxes of window glass valued at \$477,118 and the same year \$485,880 worth of glassware. Most of the glass came from Belgium, and most of the glassware from Belgium. Great Britain, Germany, Russia and Japan. We furnished none of the glass and only \$12,995 worth of the glassware.

In 1912 China imported \$1,712,818 worth of soap, chiefly from Great Britain, Austria, Russia and Japan. The United States sold but \$12,143 worth.

There is a growing market in China for many kinds of machinery, particularly iron working, ship-building and flour milling machinery. This item amounted to \$1,173,000 in the imports of 1913. A good share of this trade comes to the United States. Paper was imported the same year to the amount of 26,107,000 pounds. Of stoves and grates \$160,000 worth were imported. 1,120,000 dozen pairs of socks were shipped in 1912, \$462,000 worth of umbrellas and \$148,000 worth of underwear. Thus far we have done but little in any of these lines. 1,368,800 pounds of candles were sold to China in 1912, valued at \$232,700. Of this amount we sold but \$77 worth. In rubber goods out of \$148,762 worth, we sold but \$6,000 worth. In 1912 China imported nearly five million dollars worth of leather goods, of which the United States supplied no more than \$107,000 worth. We supply about one-third of the condensed milk, one-tenth of the lamps and lamp ware, one-fiftieth of the clocks and watches, one one-hundredth of the cordage and about one-tenth of the cutlery and electroplated ware. In all these and some other lines of goods heretofore largely supplied by Europe, the United States ought now to find opportunity for increased sales.

## CAUTION EMPHASIZED

It seems necessary, however, to re-

peat the caution uttered at the beginning of this article, that we must not anticipate a great or rapid increase in our trade. Recent reports from Shanghai described that market on August 1st as overstocked and stated that six or eight months more would be required to dispose of this surplus. Distribution has been hindered by disturbances in the interior, it is said, and this condition had also reduced production and export. Until the surplus stored in the ports shall have been cleared out, there will be no demand for the same sorts of goods and the import trade must be confined to articles for which there is but a limited market at any time. Moreover, until China is able to bring her export trade up to a normal condition, her power to purchase imports will be restricted. Recent reports indicate that this improvement is beginning. The disorders which have interfered with production and transportation are being suppressed, the national government has strengthened its hold upon the country and has recovered control of the revenues. The increased confidence of the people is shown by the subscriptions which, it is said, are being made to the domestic loan now solicited. The low value of silver is an encouragement to the export trade, but unless the goods are produced, this encouragement is vain, and on the other hand cheap silver is a very decided hindrance to the purchase by China of foreign imports. With the money market of the whole world disturbed, the banks in China are unwilling to quote exchange. The Chinese customs, however, must fix the rate at which duties are payable, and the latest value of the Haikuan Tael, that of August, is given as \$0.685. Contrast this with the value given in the customs reports for 1913—\$0.73 and that for 1912 \$0.74. China being without any fixed ratio between silver and gold, the uncertainty as to what will be received for one's goods makes the merchant hesitate to quote a silver price and gives no less anxiety to the purchaser who makes a contract in gold prices to take delivery at a future date.

## Japan

**I**N Japan the situation is quite different. Japan uses silver money chiefly, but her coinage is on a gold basis, and when prices are quoted in Yen everybody knows just how much is meant in gold. The difficulty of negotiating drafts, notes and telegraphic transfers is felt there, of course, as everywhere else.

Although Japan is one of the belligerents, her participation in the war thus far has been limited to the movement of a small force against the German port of Tsingtau. Her own coasts are not attacked; her shipping is in very slight danger and there is very little reason to anticipate any interference with her industrial life.

American trade with Japan is of the first importance. The United States is Japan's best customer. Japan's total foreign trade in 1913 amounted to \$678,222,145. In 1910 the value was given as Yen 922,662,804 or \$461,331,402 of which imports amounted to \$232,116,004 and exports \$229,214,498. Our share of the trade that year was \$99,200,707 or more than 21%.



Far Eastern Trade Conditions  
(Continued)

Most of this, however, was made up of our purchases of Japanese products, which reached \$71,851,124 in value, leaving for our imports into Japan the sum of \$27,348,583. Our own statistics show that for the year ended June 30, 1913, our imports from Japan amounted to \$91,633,420 and our exports to Japan to \$57,741,815 and the total trade to \$149,375,055.

Our trade with Japan has been gradually undergoing a change. Japan is herself rapidly becoming a manufacturer of goods of the Western type, and is competing with Europe and America for the Chinese market in certain staples. Japan's proximity to China and her cheaper labor makes it impossible for us to compete successfully in some lines. The operators in her textile factories, for instance, according to the report of the Department of Finance for 1911, receive wages as follows: men from 37 to 45 sen a day, i. e., from 19 to 23 cents; women from 21 to 26 sen or 11 to 13 cents a day; boys 14 to 17 sen or 7 to 9 cents a day; girls from 8 to 14 sen or 4 to 7 cents a day. Japan is, therefore, supplying her own and the Chinese market, to some extent, with the products of her own looms.

## DECREASING TEXTILE IMPORTS

In the Consular report for 1913 of the trade at Yokohama we are told that "with the exception of Victoria lawns, all the former staple lines (of cotton goods) show a material decrease. In some lines foreign textiles have been almost entirely replaced by the domestic manufactures, notable examples being grey shirtings, grey prints, cotton prints and to a certain extent white shirtings. The local demand for white shirtings is largely filled by the productions of the Tokyo Calico Mill."

But while we decrease our sales of certain cotton piece goods, the market for the finer qualities still remains, and we also increase our sales of raw cotton which in some measure provides the material upon which Japanese factories are working. Greater quantities of raw cotton, however, are imported from India and China.

A similar change is likely to take place in the iron trade. Japan is now endeavoring to manufacture at home much iron ware that heretofore was imported. To do this she is importing enormous quantities of iron ore and pig iron from China. Imports of iron nails declined in 1913 from \$864,632 in value to \$392,701, due to the increased output of local mills.

The effect of the present war in Europe will undoubtedly be to cut off for a time the supply of many commodities which Japan has been accustomed to purchase there. This would seem, therefore, to furnish us with a very good opportunity to increase our exports to Japan and bring about a better balance between our export and import trade with that country.

The latest statistics which I have been able to obtain of European trade with Japan are those for 1911.

Of the total imports into Japan for that year, amounting in value to \$256,902,500, the European nations now at war, supplied \$92,250,000 worth.

The most important articles of this trade were sugar, sole leather, dyes, cotton yarns, wool, cotton piece goods, cotton satins, and velvets, woolen cloths and serges, mousseline de laine, printing paper, iron and steel—(bar and rod)—rails, steel and iron pipes and tubes, nails, iron sheets, locomotive engines, railway passenger and freight cars and steam boilers and engines. In some of these items we al-

ready have a large trade, but that will only make it easier to enlarge it.

## Siam

OUR trade with Siam is small. It is chiefly an agricultural country and has little to sell us. We bought \$109,205 worth of rice there in 1913, \$51,294 worth of white pepper and \$4,070 worth of teak planks.

Our exports to Siam consisted principally of flour, kerosene, cigarettes, motor cars, chemicals and drugs and electrical goods. But Siam depends upon Europe for 12 million dollars' worth of imports every year and the present interruption of intercourse with Europe makes it necessary for her to look elsewhere for these goods. Most of these are such as are manufactured in the United States: cotton goods, machinery, iron and steel manufactures, railway materials, leather goods, silk manufactures, condensed milk, flour, sugar, paper, photographic materials, clothing, soap, glassware, china and leather ware and hemp manufactures.

But, to find a market for our goods in the Far East is but one-half the problem. To enable Japan, China and Siam to purchase our goods, we must provide some one to buy their exports. Trade in all three countries is now stagnant, because the usual channels for distributing their products are clogged.

Siam's rice export, worth \$25,000,000 per annum, will find a market without difficulty in China and Japan, but her hides and pepper, silk goods and teak; China's silk and teas, beans, bristles, egg albumen, feathers, ground nuts, hair, musk, vegetable oils, rubber, mankese, sesamum seed, pongees, hides, skins, straw braid, and vegetable tallow; and Japan's silks, teas, Habutae, lacquered ware, camphor, porcelain, straw plait and matting heretofore shipped in large quantities to Europe and amounting in value to large sums—where are these goods to find purchasers?

Japan's exports to Europe from Yokohama alone amounted last year in value to \$50,000,000. Those of China to Europe were valued at nearly 77 millions.

## OUR EASTERN OPPORTUNITY

Commerce with Europe will not cease entirely, of course, but we shall make more possible the sale of our products in the Far East if we assist in finding outlets for the products of China, Japan and Siam. If we have American ships to conduct this trade we may, for the time being, become the chief channel of communication between Eastern Asia and Europe. There are some exports in China and Japan, too, in which we would do well to increase our trade. With the European market for raw silk closed, the lessened demand coupled with cheap silver will lower prices and should induce American dealers to increase their purchases.

The United States has never bought much pongee. The largest amount in recent years was in 1909 when 108,533 pounds were imported from China. This amount, however, includes purchases by Hawaii. The quality of pongees has been greatly improved within a few years past, and considerable quantities find a market in France and Great Britain, particularly the former. This is a most serviceable fabric. Much that passes for pongee in America is but a poor imitation of it.

The manufacture of silk, linen and cotton laces has assumed considerable proportions in China and Japan, and drawn-work made of Chinese grass-cloth is sold in increasing quantities in China, Korea and Japan. These arti-

cles compare favorably with similar goods from Europe and ought to find a larger market in the United States than they do at present.

## THE SHIPPING SITUATION

It needs scarcely to be mentioned that without increased shipping facilities we cannot increase our trade, as we ought with the Far East. Communication with Siam is all but suspended at present. There are American vessels engaged in the trade with Japan, and China, it is true, but our tonnage is less than one percent of the shipping engaged in the foreign trade of China, and American vessels trading in Japan in 1911 constituted but one seventy-fifth of the total number.

There was a time in 1864 when our tonnage engaged in the China trade was all but equal to that of Great Britain, being 2,000,000 tons as against 2,800,000 for Britain. Since then there has been a steady decline. Now that the Panama Canal is open, it is more than ever desirable to have American ships carrying American cargoes to the Orient, and not only connecting the Pacific ports with Eastern Asia, but affording direct communication between our Atlantic ports and those of Japan and China. This, perhaps, will be difficult to accomplish since such vessels will have to compete with the subsidized lines of other countries and lines employing very cheap labor.

Japan pays to steamships of her North American, South American, Australian and European lines a subsidy of 25 cents a ton, or less, for every vessel of 3,000 tons gross used for every 1,000 nautical miles with a speed of 12 knots; and an increase of ten percent for every increase of one knot. Vessels must not be more than 15 years of age, and must have been built in Japan. Vessels over five years of age have the subsidy decreased by 5% per annum until in the fifteenth year it disappears entirely. Foreign built vessels under five years of age receive one-half the subsidy.

Ship-building in Japan is encouraged by subsidies paid the builders, varying according to the class and grade of vessel from \$5.50 to \$11 a ton.

Improvement of our trade relations with the Far East implies furthermore an improvement in banking facilities. There is but one American banking corporation in that part of the world.

In conclusion it should be said that success in trade with the Far East, as everywhere else, depends upon efficient organization and upon painstaking care in the selection and training of agents (who should be Americans), as well as upon attention to details in catering to the tastes of consumers. We must not try so much to sell Orientals what we have on hand as to manufacture what they want.

## Our Asiatic Commerce

Year Ending June 30, 1914

	EXPORTS	IMPORTS
Aden .....	\$ 1,226,262	\$ 1,747,810
China .....	2,698,734	39,384,978
China leased territory:		
British .....	4,047	
French .....	166,114	
German .....	3,850	638,473
Japanese .....	1,473,339	289,889
Chinese (Korean) .....	1,246,263	8,121
East Indies:		
British India .....	10,851,301	73,030,889
Straits Settlements .....	4,184,674	26,397,864
Other British .....	585,030	11,964,787
Dutch .....	3,676,895	5,334,304
French .....	161,234	
Portuguese .....	10,966,214	3,085,840
Hong Kong .....	51,205,520	107,355,807
Persia .....	2,343	1,048,038
Russia in Asia .....	1,214,806	2,488,073
Siam .....	826,879	1,465,545
Turkey in Asia .....	1,088,230	12,546,352
Other Asia .....		75,482
Total Asia .....	\$113,425,616	\$286,952,496

## The World Wheat Situation

THE nine countries herewith enumerated have raised the smallest aggregate wheat crop in three years. They raised 2,728,000,000 bushels in 1913 (around the largest total known), and the crop year ended July 31, 1914, with exhausted old crop and visible supplies.

	1914	1913
U. S. ....	1,000,000,000	703,000,000
Canada ..	135,000,000	215,000,000
Hungary ..	125,000,000	134,000,000
Poland ..	300,000,000	370,000,000
France ..	200,000,000	322,000,000
Germany ..	170,000,000	171,000,000
Italy .....	173,000,000	208,000,000
Romania ..	520,000,000	80,000,000
Russia ..	1,250,000,000	770,000,000

Bushels ..... 2,520,000,000 2,728,000,000  
The world must look to the U. S., Canada and Russia for its wheat loaf.

Probable export surplus of the Big Three based on crop reports.

	To Export	Exported	Exported
	1914-15	1913-14	1912-13
U. S. ....	240,000,000	135,000,000	143,000,000
Canada ..	65,000,000	120,000,000	115,000,000
Russia ..	90,000,000	107,000,000	168,000,000

Total ..... 395,000,000 362,000,000 366,000,000

On a peace basis the world would take every bushel of the 395,000,000 surplus in the U. S., Russia and Canada.

On a war basis, if England clears the seas, the seaboard of Europe will promptly remove most of the U. S. surplus. England requires 200,000,000 wheat annually and the Canadian surplus equals one-third of this immense total.

If a war of six months—Russia will hold her wheat. In which case Europe will have only one fourth of large and immediate supply—the U. S.

The U. S. to August 1 had sold about 100,000,000 wheat to Europe of which 30,000,000 had gone forward. Austria bought 5,000,000 around last of July in the U. S.

The Canadian surplus of possibly 65,000,000 is practically held and taken by the British government.

Holland, Italy, Britain and other neutral countries will be forced to the U. S. for at least 150,000,000 wheat even if a diminution in consumption.

A home consumption of 846,000,000 appears to be absolutely guaranteed.

For domestic use .....	380,000,000
For seed .....	70,000,000
For export .....	180,000,000
For feed .....	200,000,000
(due to corn exhaustion)	
Total .....	830,000,000

The wheat price is stimulated by theories of a short war and an enormous early 1915 export demand. The winter acreage of Europe will be greatly reduced.

As to the big spring demand we must wait on Argentina whose surpluses run 60,000,000 to 120,000,000, and if near the higher total—Argentina will be a price factor next January.

In Austria-Hungary and France alone, the war may effect the raising of 450,000,000 bushels of winter wheat. In Russia about 25 percent of the whole crop is winter wheat.

As a price factor why look beyond France. She raises 300,000,000 to 350,000,000 wheat. She must seed 60 percent of this in the coming autumn. If blasted by war she would only seed 40 to 70 percent.

This possibility is a warning of what may come next year.

The American farmer undoubtedly will hold his wheat. If the war lasts a year—wheat will be the food treasure of 1915.

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# Activities of Ports Prompted by War Influences on Trade

## New York City

THE Merchants' Association has had for some time past a regular committee known as the Foreign Trade Committee of The Merchants' Association. This Committee is made up of men who are interested in and actually engaged in the field of foreign trade and international commerce.

Immediately at the outbreak of the European war and before the 10th of August, this Committee held a meeting and decided to push vigorously the matter of foreign trade promotion. It felt that this was particularly important on account of the possibility of the various European nations now at war being unable to continue their foreign trade activities; also because many of the raw products of the United States which are used in foreign manufacturing, would fail to find a market there.

It seemed to this Committee, therefore, that we should take instant steps to bring about an increased commerce with all parts of the world. We have informed our members of conditions and have urged them to make every effort to develop their foreign business during this period. We are also supplying to them as detailed and concrete information as we can secure.

We do not believe that it will do much good to merely exhort our members to develop foreign trade but we must be able to give them specific and detailed information.

The Industrial Bureau of The Merchants' Association has been given the task of gathering this information and passing it on to our members. Members have responded and we are receiving large numbers of requests on specific points—how to promote particular lines of business in various sections of the world, particularly South America.

We believe that New York City will be especially benefited by the development of our foreign markets and for this reason we have taken up the work with great speed.

E. E. PRATT,  
Manager Industrial Bureau,  
THE MERCHANTS' ASSOCIATION OF  
NEW YORK.

## New Orleans

SINCE the outbreak of the European war New Orleans has been vigorously arranging to take advantage of the trade opportunities presented, particularly on the west coast of South America. We worked without publicity for thirty days and only very recently permitted anything to be said. In a few days a delegation of New Orleans men, representing the New Orleans Association of Commerce, will meet a group of men representing the Chicago Association of Commerce in Chicago, and go over the whole situation with a view to forming a combination of interests in the Mississippi, Ohio and Missouri Valleys and the Central West.

It is our idea that the financial interests of the above territory should organize a Pan-American Banking Corporation for the purpose of establishing branch banks in Latin American Republics with a view to providing proper and adequate banking facilities and furnishing reliable credit information. These essentials are prerequisite to proper trade development.

We have been in telegraphic communication with all the large industrial exporting centers of the Central West in order to a concrete proposition put to them regarding the

amount of tonnage they could guarantee for a steamship line which has been promised New Orleans under proper conditions, their answers are highly satisfactory, and we know, as a matter of fact, that there is an enormous export tonnage in the Middle West which can be moved via New Orleans, thence through the Panama Canal to the West Coast of South America which seems at present to be the richest and most propitious field.

In all of this, however, we advise caution owing to the financial stringency in these countries due to the fact that their exports to Europe have been cut off. The exports of these raw materials from South America, which heretofore have been manufactured in Europe, must now be manufactured in the United States if we would produce a proper reciprocity of trade. We should be in a position to receive their raw products and export our manufactured products so that trade credits may thus be established at both ends of the line.

It is a fact that New Orleans has been vigorously alive to the situation from the moment the crisis appeared, and this may be verified by the organizations with which we have been in telegraphic and letter correspondence. In addition to this work, New Orleans is preparing to send a large trade expedition into Central America and the West Indies, lasting seventy-four days. We have frequently made shorter trips of this character.

New Orleans is very fortunately situated with regard to these countries owing to the fact that almost any day of the week a merchant or his representative may step aboard a ship at our wharves and in from two to five days reach his destination, transact his business and return in as many more. Therefore, the situation in Central America is far more satisfactory and New Orleans really occupies a more or less dominant position in the actual trade of these countries. This will be greatly expanded owing to the inability of German and British houses to export to their Latin American branches or representatives, and each ship coming from these countries brings here representatives seeking new American connections, and we are aiding them in making such connections immediately.

M. B. TREZEVANT  
General Manager  
NEW ORLEANS ASSOCIATION OF COMMERCE.

## San Francisco

THE European war comes at a psychological moment for San Francisco and California. There are \$10,000,000 of harbor improvements nearing completion, twenty-six modern piers recently completed and more under construction. Steamship men using the Panama Canal declare facilities in San Francisco are superior to any on the Continent. The Panama Pacific International Exposition, opening in five months, will vividly portray the quality and advantages of American goods. Being held in San Francisco, this section will benefit greatly therefrom.

San Francisco leads in exports of the whole Pacific Coast and other United States ports to Hawaii, Philippines, Australia, Japan, China and the Orient. The trade amounted to over \$60,000,000 last year. There are opportunities there to introduce California wines, gas engines, sectional mining machinery.

The San Francisco Chamber is awake to opportunities. It has pub-

lished information in detail, showing exports and imports of this port by commodities to all countries; imports of Latin American countries, showing amounts furnished by the United States; bulletin on opportunities for export of California wines and liquors; hints to exporters unfamiliar with this trade. A survey has been made looking toward an improvement of ocean service to Latin American countries; also for a method of financial exchange; also for a steamship service to West Indies and the opportunities there; and urging a uniform consular invoice for Latin American countries, a method whereby commercial firms may handle business of small exporters on commission basis.

ROBERT NEWTON LYNCH,  
Vice-President,  
SAN FRANCISCO CHAMBER OF COMMERCE.

## Galveston

THE certainty that a heavy trade movement from Galveston to Latin America can be developed on account of the European war and consequent stoppage of European business with Latin American countries, was instantly taken up by the Galveston Commercial Association. A careful survey of Latin American trade needs was made and reports were widely distributed to southwestern business men in correspondence and through *Treasure Island Log*, the Association's monthly publication.

The Association is now organizing a trade trip, planned for late in October, chartering a steamship for the executive members of important business houses throughout Trans-Mississippi territory from Galveston north to St. Paul and Minneapolis and from St. Louis west to the Rocky mountains. The itinerary includes visits to practically all Latin American countries, a trip through the Panama Canal and down the west coast of South America. The trip is to last from 30 to 60 days, and is designed to put Trans-Mississippi business men in direct touch with Latin American needs and to be followed by comprehensive live-wire sales campaign.

MEIGS O. FROST, Secretary,  
GALVESTON COMMERCIAL ASSOCIATION.

## Philadelphia

On August 18 our Committee on the Improvement of the Mercantile and Manufacturing Interests met for the purpose of devising some means of impressing upon our merchants and manufacturers the importance of grasping the opportunity which is now before them to secure a larger share of the world's trade than they have hitherto enjoyed. A statement was prepared and published in all our daily newspapers, in addition to being sent to our entire membership.

We are now preparing an elaborate edition of our Journal, reviewing the industries of Philadelphia, and emphasizing its advantages as a first hand market for manufactured goods, which we will have translated into Spanish and distributed widely in the Latin American countries.

Our Committee is giving this matter careful and serious thought with a view to recommending such concerted action on the part of our mercantile, manufacturing and financial interests as future developments may seem to demand.

N. B. KELLY, Secretary,  
PHILADELPHIA CHAMBER OF COMMERCE.

## Seattle

THE Seattle Chamber of Commerce through its Bureau of Industrial and Foreign Commerce, is aggressively turning attention of the Pacific Northwest manufacturers and exporters to new opportunities in Latin America, the enlarged field in the Orient and openings in Australasia, due to the shutting off of European sources of supply. Our lumber, flour, salmon, condensed milk, and some other commodities already have established markets in those countries, but we now seek to enlarge these markets and to interest in new opportunities manufacturers who have previously not entered the export field.

Present shipping facilities to South America are reduced by the elimination of the Kosmos line (German) and to the Orient and Europe by the suspension of the Hamburg American Service. Otherwise, aside from some delay by the British lines, schedules are much the same as before the war. One cargo of coal in an American bottom has started from Seattle to Mexico to supply a market heretofore drawing on Australia. There is need of American banking facilities, especially in Latin American and of a Merchant Marine under the United States flag. These are constantly urged as primary requisites for trade expansion.

J. D. LOWMAN,  
Chairman Foreign Commerce Bureau,  
SEATTLE CHAMBER OF COMMERCE.

## Charleston

IN order to build up an export market through this city, after careful analysis of the situation, it was decided two years ago that it was necessary to secure tonnage from the great manufacturing districts north of the Ohio River and West of Pittsburgh. We already have good transportation facilities from this center. Present freight rates, however, prohibit any movement from this territory through southeastern ports.

We have engaged one of the best traffic commissioners in the country, raised a considerable sum of money and are now working on this problem. In addition, committees of Charleston business men were sent to the larger cities in Ohio, Indiana and Michigan to interest them in South American trade, with the view of shipping a part of their cargo, at least, through the port of Charleston, provided we secure equal rates and adequate facilities.

At the same time, large coal terminals are being erected in this city by the Clinchfield interests for the exportation of coal and the Southern Ry. has recently announced the construction of similar facilities.

While we are in position to offer small tonnage in cotton piece goods and pig iron and steel from the Birmingham district; this movement is not sufficient at present to induce transportation interests to put in a steamship line; but we believe that on the completion of our coal terminals and improvement in freight rates, as well as with the completion of the Seaboard Air Line and its allied interests into this port, we shall be able, with the southern tonnage mentioned to offer sufficient inducement to establish a South American line.

The American Hawaiian Steamship Line have already announced their intention of making this port and this will give us a line via the Panama Canal to the West coast.

A. V. SNELL, Managing Secretary,  
CHARLESTON CHAMBER OF COMMERCE.



# The Dyestuff and Chemical Situation Made Clear

The following questions were asked by *Metalurgical & Chemical Engineering* (New York) of several authorities on the chemical industries:

1. How does the cutting off of certain raw materials by the European war affect the continuity of operation of the various chemical industries in this country? Can any of these raw materials be procured in the United States so as to make our industries independent of other countries? What is the situation of the potash industry?

2. Will the forced industrial restriction in Europe, if it continues long enough, warrant the development in this country of chemical industries which have so far been almost exclusively European? What are the possibilities of an American coal-tar industry?

3. In the case of a long continued war, do you think that the personnel of the American chemical and metallurgical industries will be affected? Do you think it possible that there may be a scarcity of chemically trained men or of unskilled workmen?

4. Is there enough demand in South American countries for products of the chemical industries to make exports from this country worth while and open new markets for the chemical industries of this country?

In reply to the first of these questions, Dr. William H. Nichols, a well known manufacturer, and past President of the Society of Chemical Industry and President of the Eighth International Congress of Applied Chemistry, 1912, said in part: "The supply of raw materials, as far as the needs of heavy chemicals is concerned, would appear to call for no alarm and comparatively little uneasiness. \* \* \* With the chemicals that this country has depended upon Germany supplying, covering a wide range from certain salts, such as epsom salts made from kieserite, which industry Germany has entirely stilled in this country through to finished dyes, which have never been made in quantity outside of the large German factories, it is too early to state what America will do; but it is safe to say that most of them we can get along without when necessity dictates."

Mr. Alaximilian Toch, one of the best known men in the chemical industries, gives a reassuring answer to the first question. "There is no doubt that matters will right themselves. \* \* \*

"It would be difficult to say exactly how many of the raw materials could be procured in the United States which were formerly imported. Of course indigenous raw materials can not be made except in the country where they are grown or procured, such as the fossil resins. Still we are able with the aid of China wood oil and resin to do many things we could not do ten years ago, but China wood oil in case our supply is cut off could be produced in time in America. \* \* \*

There are a number of methods for the extraction of sufficient potash from feldspar, kelp and the like. Many of the methods, some of which are patented, have never been exploited on account of their cost, but for the present cost will not enter, and therefore we should have no fear that the supply of potash will be curtailed if we can make a sufficient quantity from many of the potash-bearing materials in the United States."

To question 3, Dr. Nichols answers: "A scarcity of trained chemists or unskilled workmen seems to be at the present time entirely out of the question, although it is, of course, hard

to foresee what technical knowledge will now be called into use." Mr. Toch makes a similar answer.

Dr. Nichols, in answer to question 4, stated that the South American market for chemicals is important and while as yet undeveloped may be expected to grow into an important outlet for American products. Mr. Toch said: "There is a sufficient demand in South American countries for the products of the chemical industries to make exports from this country worth while. In the paint, varnish and chemical industry very few materials have ever been exported to South America."

## Aniline Dye Industry

Dr. B. C. Hesse (chemical engineer and expert, 90 William Street, New York City) comments on question (2), with special reference to the coal-tar industry, as follows:

In the coal-tar industry the following three divisions may be made for convenience and clarity:

I. Products from coal-tar by distillation, expression and like operations.

II. Products obtained from I by chemical transformation but not themselves dyes.

III. Dyes made from II. I and II make up practically all of paragraph 536 of the United States Tariff of 1909.

According to what purport to be official German figures Germany's foreign trade in 1913 in these three classes was as follows (in metric tons):

	Imports into Germany	Exports from Germany	Excess of Exports over imports
I.....	67,501	342,803	275,302
II.....	673	16,311	15,638
III.....	3,238	163,874	160,636

Obviously division I need not be further considered. As to division II the German figures are given in three subdivisions:

- (a) Anilin oil and salt.
- (b) Naphthol and naphthylamin.
- (c) Anthraquinone, nitro-benzol, toluidin, resorcin, phthalic acid and other coal-tar products.

For division III the German figures are given in four subdivisions:

	Division I a	Division II b	Division III c	Division III d	Division III e	Division III f	Division III g
	Anilin Oil	Naphthol and Naphthylamin	Anthraquinone, etc.	Aniline Dyes	Varicolored Alizarins	Alizarin Red	Indigo
1. United States.....	2,428	638	965	13,855	2,164	493	3,461
2. Great Britain.....	340	338	34	10,713	1,130	1,493	15,235
3. Austria.....	655	109	24	5,382	243	207	1,361
4. Italy.....	950	—	825	4,097	158	—	662
5. Russia.....	602	1,117	998	1,098	150	174	4,570
6. Belgium.....	120	—	108	2,400	90	—	313
7. France.....	217	776	1,301	124	98	323	2,839
8. Switzerland.....	1,217	272	1,201	941	—	259	2,008
Net totals.....	6,012	2,686	5,123	38,185	3,005	2,724	7,734
Number of countries Germany exported to.....	11	6	11	32	12	9	21

(d) Aniline dyes.

(e) Anthracene dyes, other than Alizarin red.

(f) Alizarin red.

(g) Indigo.

At present the United States produces about 30 percent of its requirements of aniline dyes (division III), but almost entirely from materials of division II brought from Germany.

The key to the situation lies in division II and in this Germany controls the world's markets. This control is due to the facts that while the

growth of this division was relatively slow; yet the need has become very much interwoven, each of its limited or more products are dependent upon or made up of one or more other products, no one of them is of use without still others; the industrial and commercial conditions of relations have grown with the technical development so that the coal-tar dye industry is really a conglomerate of many separate parts acting and reacting upon each other, commercially and industrially.

Not a single one of the 22 factories in Germany is wholly independent of other factories in Germany, whereas together they are independent of sources outside of Germany, or can very readily be so should occasion arise. It would not do merely to transplant even the largest German works to this country; a part of probably each German works would be necessary to produce here or anywhere a complete and self-contained industry. Such a transplanting of the coal-tar dye industry would be comparable to an attempt to transplant to this country every single branch of, say, the textile industry or any other highly ramified and diversified art.

Germany's supremacy in this field has been for more than 30 years a standing challenge not only to the chemists and capitalists of the United States but to the chemists and capitalists of all the rest of the world as well. Except Switzerland, no country has succeeded in selling Germany more coal-tar dyes than it buys from Germany, but all of them without exception buy more of intermediate products, i. e., division II, from Germany than they sell Germany.

The seven European countries other than Germany noted for their chemists and having a large and flourishing chemical industry are Austria, Belgium, France, Great Britain, Italy, Russia and Switzerland. Their indebtedness in metric tons to Germany, together with that of the United States, for 1913, the countries being arranged in the order of their total indebtedness which is distributed over the seven items, follows:

	Division I a	Division II b	Division III c	Division III d	Division III e	Division III f	Division III g
	Anilin Oil	Naphthol and Naphthylamin	Anthraquinone, etc.	Aniline Dyes	Varicolored Alizarins	Alizarin Red	Indigo
United States.....	2,428	638	965	13,855	2,164	493	3,461
Great Britain.....	340	338	34	10,713	1,130	1,493	15,235
Austria.....	655	109	24	5,382	243	207	1,361
Italy.....	950	—	825	4,097	158	—	662
Russia.....	602	1,117	998	1,098	150	174	4,570
Belgium.....	120	—	108	2,400	90	—	313
France.....	217	776	1,301	124	98	323	2,839
Switzerland.....	1,217	272	1,201	941	—	259	2,008
Net totals.....	6,012	2,686	5,123	38,185	3,005	2,724	7,734
Number of countries Germany exported to.....	11	6	11	32	12	9	21

Summarized by divisions II and III the results are:

	II	III
United States.....	4,031	19,973
Great Britain.....	639	14,594
Austria.....	1,648	6,927
Italy.....	1,475	4,917
Russia.....	2,717	1,802
Belgium.....	228	2,809
France.....	993	1,840
Switzerland.....	2,699	662

According to the latest information available the number of coal-tar dyestuff works in the world and their geographical distribution in 11 countries is as follows, in the order of their number of factories: 22 Germany, 11

France, 11 Great Britain, 9 United States, 4 Austria (Hungary), 4 Switzerland, 2 Holland, 2 Russia, 1 Belgium, 1 Greece, 1 Italy.

In the course of the development of this business, to plants that made coal-tar dyes have abandoned that work, 11 in Germany and one each in Austria, Belgium, France, Great Britain and Switzerland. Plants have been absorbed by others, six in Germany, four in Switzerland, two in France and one each in Belgium and Holland.

Where these seven countries together have failed so signally it cannot be fairly urged as a taunt of the chemists of this country that they have not succeeded.

There is another side to this, namely, the investor's side. A self-contained and complete coal-tar dye industry in this country would today call for preparedness to make about 700 different dyes. In the fiscal year 1913-1914 this country imported indigo to the extent of \$1,093,224, alizarin to the extent of \$845,459, both of which are without tariff protection; \$7,464,134 worth of aniline dyes with a duty of 30 percent and aniline oil with a duty of 10 percent. This means 700 different aniline dyes would average a gross annual income each of about \$10,000. To introduce 700 different sets of operations and perhaps half that many different sets of apparatus at one time to produce on the average for each set of operations a gross of \$15 per day can hardly be regarded as an attractive proposition when the initial lump gross outlay would be not less than \$5,000,000 actual cash. Each of these 700 products requires good manufacture from the start because good qualities of each are already on the market.

It is one thing to grow and develop such an industry or art and to maintain it against newcomers, but it is quite a different thing to build it up afresh and in its entirety in the face of competition, and to hold it against those who developed the business, know all its ins and outs, have their experience and plant bought, paid for and written off long ago. It could hardly be expected that if successful this would employ as many as 7,000 people all told and the gross makes out less than 0.4 percent of our total output business.

With unlimited and immediately available capital the American chemist can build up such a complete industry, but the dividends would be a long way off. Capitalists, American or otherwise, do not take kindly to such handicaps or obstacles, and justly so.

The truth seems to be that the whole of this industry cannot be successfully transplanted and attempts to transplant part only have not resulted in any self-contained and independent industry anywhere but in a thing whose real roots are still in German soil and if it could be transplanted as a whole the net result would not be commensurate with the expense, effort and risk connected with it. What portion or part if any, and the equivalent of a complete and self-contained industry for all the domestic needs of this country could ultimately be transplanted here is a problem that has had the serious attention of competent chemists and capitalists in this country for many years without a definite or satisfactory answer thereto having been arrived at. If the present conditions will contribute to a solution thereof cannot be decided out of hand, the first impression certainly is that they will not so contribute.



## Coal and Coke

**T**HE *Coal Age*, of September 5, after a review of coal statistics of the United States and the several nations at war, asserts, "If the present time is not the supreme opportunity to make the United States the chief fuel exporting nation of the world, then surely the time will never come." The *Coal Age* stated also, "At the present moment the fate of the export coal trade appears to be hanging on the ability to get vessels at reasonable rates."

It predicates its claim of the supreme opportunity upon a fair analysis of conditions in the United States and in Great Britain, Germany, Austria-Hungary, France, Russia, Belgium and Japan. Of these eight countries producing 97 percent of the total coal output of the world, all but the United States are at war. The statistics given by *The Coal Age* are as follows:

### WORLD'S COAL PRODUCTION

Annual production of coal in entire world, 1,350,000,000 short tons (figures are approximate): United States produces 575,000,000 or 42 percent; Great Britain, 305,000,000 or 22 percent; Germany, 265,000,000 or 19 percent; Austria-Hungary, 50,000,000 or 3.7 percent; France, 45,000,000 or 3.33 percent; Russia, 28,000,000 or 2.07 percent; Belgium, 25,000,000 or 1.8 percent; Japan, 19,000,000 or 1.4 percent.

### ENGLAND STILL EXPORTING

Great Britain is still producing a large tonnage of coal, *The Coal Age* continues, and is endeavoring to maintain her place as the foremost exporter of coal, her foreign business in coal amounting to approximately 110,000,000 tons a year. At the same time that production is apt to be curtailed, domestic consumption will materially lessen, so that considerable coal will be available for export. With ships and command of the seas, Great Britain must be regarded as the chief competitor for the export business. *The Coal Age* regards as the chief condition against her the recent prohibition of the export of the best Welsh grades of coal.

### CONTINENTAL PARALYSIS

In Germany, Austria-Hungary, France and Belgium, *The Coal Age* declares, the coal industry is completely demoralized, and since Japan can hardly supply her own coal, it is evident that the United States and Great Britain must supply the world's fuel while the war continues. *Coal Age* points out that South America alone needs \$70,000,000 worth of coal annually. Of this amount at present the United States furnishes \$5,000,000 and Great Britain \$55,000,000. It is noteworthy that, according to a British consular report, Belgium in 1911 exported 5,169,000 tons of coal, 4,340,500 going to France.

### SOUTH AMERICAN TRADE

*The Black Diamond*, under date of September 5, strikes a hopeful note also. After reviewing the conditions produced by the Boer War, during which the United States was called upon to take the place, in part, of Great Britain in supplying coal to South America, and the gradual development of the export coal business and of the shipping to carry it, states: "As we have increased in all directions (in coal export business) 'we have improved facilities accordingly. We expected a slow expansion of our export business in future. We expanded slowly, surely, cautiously. We went about this matter like business men."

If the United States, as the result of the European war, had been compelled to step into South America and to take care instantly of a big rush of orders from that territory, the coal trade would have received a shock which might have proved disastrous. \* \* \* Any need to satisfy at once all of South America's demand contained far more danger than promise."

The whole machinery of distribution would have been demoralized by such a contingency. *The Black Diamond* continues, and endangered by inability to satisfy either export or domestic demands. Since we have been orderly heretofore in our movements, however, *The Black Diamond* argues, we can continue to do business on the same basis:

With her best coal commandeered for the use of the Government, *The Black Diamond* contends, Great Britain, even with reduced domestic consumption, will find it difficult to compete successfully with the United States unless through its already established hold upon the market. Great Britain is expected by *The Black Diamond* to lay emphasis upon the fact that certain American coals run small, knowing that a small coal from the United States can not oust from favor in South America a coal already known there.

### GERMAN TRADE OURS

"But it is perfectly evident that England with its relatively small amount of coal can not satisfy all of the South and Central American demand which it formerly supplied," *The Black Diamond* concludes. "Certainly it can not do that and still step into the shoes occupied by Germany. There is left to our merchants, therefore, that part of the trade which England can't take care of, and all the trade which Germany has now been forced to abandon. That will leave us a good market with which to begin. It will give us a splendid opportunity with which to begin. It will give us a splendid opportunity to impress ourselves gradually upon South America, if the thing is done properly."

"As England is in future forced to withdraw from that market because its miners will be withdrawn from the mines to go into the army, we will have a chance to step, gradually and slowly, but steadily, into the mastery of that South American coal trade. If, after we are once established, we let England take the trade away from us again, it is our fault, because by that time we will have the ships, the service and the coal to sell at a price which can beat the other fellow."

### Coal and Coke Exports, 1913

ANTHRACITE		Tons.
Europe .....	97	
North America .....	4,622,795	
South America .....	2,559	
Asia .....		
Oceania .....	30	
Africa .....		
BITUMINOUS		Tons.
Europe .....	475,713	
North America .....	14,877,291	
South America .....	441,368	
Asia .....		
Oceania .....	53,353	
Africa .....	235,376	
COKE		Tons.
Europe .....	31,964	
North America .....	866,214	
South America .....	2,454	
Asia .....		
Oceania .....	40	

## Boots and Shoes

**S**UPPORTING the caption, "Our Strong Position," *The Boot and Shoe Recorder* (Boston), of August 29, says: "The past week in the shoe trade has been of happier tenor. \* \* \* The feeling is everywhere present 'We'll make the best of it.' \* \* \* Analysis of the figures of import and export, revealed the hope that the cutoff of the imports of raw material and the exports of finished leather material will approximately balance, leaving the domestic market almost as before so far as these commodities are concerned. \* \* \*

"The consensus from the shoe manufacturers indicate that some increase in the price of footwear is inevitable if the war goes on, but you must bear in mind that many manufacturers have stocks of leather and other supplies on hand for two or three months and that all the time we are growing leather on beef cattle and importing leather from other sections of the world. \* \* \* Also, it costs more to tan good leather."

The competence of American shoe manufacturers to serve the American public well and economically is wholly proven, the *Recorder* asserts, during the developments of the last two years, in which American made shoes have had no protection by tariff.

*The Shoe Retailer* (Boston) for August 29 heads its editorial leader "Optimism and Opportunity," and says, "Conservatism is in the air. In a way it is perfectly natural; but when one pauses to reflect, we ought to be getting ready for probably the greatest period of prosperity and big business ever known in the history of these United States." *The Retailer* predicts higher prices. Commenting upon the needs of 14,000,000 soldiers in the field in Europe, the *Retailer* declares they will need shoes at the rate of 14,000,000 pairs a month, and it seems inevitable that American manufacturers will be called upon to supply considerable part of these.

*Shoe and Leather Facts* (Philadelphia) for September says, "Unquestionably the exports to Europe will be largely interfered with, for years to come. All the indications are, however, that the volume of trade in South America and many other sections of the world will be more than correspondingly increased."

"A splendid business has been developed in shoes, leather and many other commodities in export trade during recent years. American footwear has long stood as the standard for styles and excellence in practically all parts of the world. This has been attained over those manufactured in any other country by reason of the superiority of American made footwear. The trade in heavy and upper leather has also splendidly developed. With the manufacturing countries of Europe at war their industries will naturally languish as a result of financial stringency and the fact that a large part of their male population will be taken from the mills and shops and sent to the front. As a result these countries will not be in a position to supply the normal demands of the neutral markets, not to speak of sending goods to South America and other portions of the world, where the needs of the people will be even greater than they have been heretofore. \* \* \*

"England, Germany and several other countries have been buying large quantities of American products and reshipping them to other parts of the world. These exporters have been more enterprising in the sale of American-made goods than have been the

manufacturers of these goods. Instead of selling to European exporters, hereafter, however, they can sell direct to the importers of the neutral markets, greatly to the advantage of the manufacturers and importers."

### Imports of Hides and Skins

CALFSKINS		
Belgium .....	\$ 1,373,499	
France .....	1,434,335	
Germany .....	5,392,464	
Russia in Europe .....	7,282,870	
All other countries (neutral) .....	7,899,186	
Total .....	\$23,381,953	

CATTLE HIDES		
Belgium .....	\$ 1,602,431	
France .....	3,319,137	
Germany .....	8,489,884	
Russia in Europe .....	1,713,479	
United Kingdom .....	2,070,530	
All other countries (neutral) .....	44,557,591	
Total .....	\$52,181,942	

GOATSKINS		
France .....	\$ 728,762	
Russia in Europe .....	1,133,242	
All other countries (neutral) .....	20,329,259	
Total .....	\$22,191,263	

SHEEPSKINS		
France .....	\$ 360,423	
Russia in Europe .....	1,782,591	
All other countries (neutral) .....	11,259,479	
Total .....	\$12,593,517	

### Exports of Leather, 1914

SOLE LEATHER		
Belgium .....	\$ 209,295	
United Kingdom .....	6,233,081	
Other Europe .....	314,309	
All other countries (neutral) .....	698,288	
Total .....	\$ 7,475,843	

UPPER LEATHER—GLAZED KID		
Belgium .....	\$ 281,455	
France .....	78,820	
Germany .....	2,029,841	
Netherlands .....	1,451,291	
United Kingdom .....	6,486,106	
Other Europe .....	2,343,430	
All other countries (neutral) .....	2,940,504	
Total .....	\$16,810,943	

### Boots and Shoes

France .....	\$ 340,645	
Germany .....	1,376,325	
United Kingdom .....	1,309,267	
Other Europe .....	1,530,007	
All other countries (neutral) .....	13,311,048	
Total .....	\$17,867,292	

As precedent is always an index of a possibility for the future, a comparison of the yearly totals will prove interesting. In 1912 we imported calfskins to the value of \$26,530,993; in 1913, \$26,294,973; and in 1914 this was somewhat reduced to \$23,381,953. In cattle hides, the bulk of which comes from countries not affected by the war, we purchased in 1912, \$38,405,521; in 1913, \$46,298,964; and in 1914, \$52,181,942. These figures are most significant when the proportion coming from countries now engaged in warfare, is considered in contrast to the volume obtainable from other parts of the world.

### Farm Implements

Considering the domestic situation there is not believed to be any real reason for fear of the future. Especially is this true of the implement business. As has been said before in this column the conditions abroad are bound to result in an increased demand for the products of our farms, and the implement trade should experience a sort of boom by reason of the increased demand for farm implements and machinery. Certainly it is important now that implement dealers do not give way to dire imaginings, but that they go about their business as they have heretofore, using, if possible, a little more snap and energy.—*The Implement Age*.

# Opinions Relative to Various Lines of Industry

Showing Almost Unanimous Optimism

**A** GENERAL survey of all trades is impossible in the limits of this periodical. There is, however, a healthy optimism in nearly all lines and a very evident national determination to re-adjust conditions to all shortages or to find new ways of meeting needs.

## Telephone Expansion

Europe has furnished practically all the telephone apparatus in use in South America, but with the new commercial awakening as to the value of the export business which may be developed, there is no reason why the telephone manufacturer should not claim his share. It is predicted that the next great railroad building era will center in South America. That means rapid development of the country, necessitating more extensive telephone service. Right now is the time to get in on the ground floor.

The telephone industry then, as a whole, will not be adversely affected by the European war. Indeed, with this country upon the threshold of what is predicted will be an era of great prosperity, the business should be a better one than ever before—*Telephony*.

## Electrical Industry

In analyzing statistics of exports, *The Electrical Review and Western Electrician* says that while the total value of electrical shipments for 1913-1914, given at \$25,060,844, was about 5 percent less than in the preceding fiscal year, the decline is not serious and is largely explained by the worldwide depression in commercial circles. Analysis of exports by month shows that the diminution did not set in until the early part of the present calendar year. The revolutionary conditions in Mexico also were trade deterrents.

The same magazine, in its issue of September 5, publishes a synopsis of electrical jobbers, manufacturers and trade editors. The general sentiment of the jobbers seems to be that commercial depression now existent makes trade conditions very hard indeed but far from impossible, and the excellent crops of this year, the general activities of business and industry, and the larger opportunities to be expected at the termination of the war are sufficient to maintain domestic markets.

## Copper Outlook

As to copper, published interviews of Daniel Guggenheim and S. R. Guggenheim upon their arrival in the United States from Europe which they left after the outbreak of war, are significant. Mr. Daniel Guggenheim declared that "we are in the presence of the greatest opportunity in the history of this country."

In the statements of the Messrs. Guggenheim there was a prediction made by others interested in copper, that the domestic consumption of home produced copper would increase to so large an extent as to relieve the market greatly of the stagnation caused by a possible lack of foreign demand. The increased use of copper in the manufacture of cartridges among the nations at war tends, in fact, to create a foreign demand; but more important to American producers, is the fact that the shutting down of European factories will result in so large a growth in copper manufactures in this country that the demand at home will prevent a long continued drag in the market.

## Tin Situation

The Geological Survey, commenting upon the tin situation, says:

"The benefit which it seems possible to get out of the present situation is in the establishment of a tin smelter in the United States in which to smelt Bolivian tin ores and such small lots of American ore as are produced. At present between 30,000 and 40,000 tons of tin concentrates carrying more than 20,000 tons of metallic tin are shipped each year from Bolivia to Europe for smelting. The United States would absorb the tin smelted from this ore easily, and it has been demonstrated that there are no difficulties in the smelting of the Bolivian ores that American metallurgists can not meet. Owing to the lack of European freighters, Bolivian ores will now be seeking a market, and, providing that ships can be found to carry the ore, this will be the opportunity for Americans to begin purchasing the ores that have heretofore gone to Europe."

## Zinc Industry

Of the conditions of the zinc trade since the outbreak of the war, the Geological Survey makes an authoritative statement prepared by C. E. Siebenthal, who introduces the subject with this paragraph:

"The opening of the Panama Canal, the necessary establishment of American lines of transportation to South America, Australia and the Orient, and in the present crisis the large dependence of those continents on the United States for their supply of zinc all make for a quick commercial introduction of the United States zinc industry to those continents—an introduction which under other conditions might have taken years."

## Crockery and Glass

*The Crockery and Glass Journal* (New York) on September 3 offered several significant notes; most of which reflected a spirit of confidence in the market. "Glass men are getting to 10 percent more, the potters from 5 to 10 percent more, and there is a possibility that in both lines a farther advance will be made. European goods are advanced to the extent of extra freight rates and war risk insurance. As all pottery and glass has been sold too cheaply for years past, it is probable that even with a cessation of the war whatever advance is made now will be maintained all along the line."

## Clay Products

Brick, tile and other clay products markets are reported to be active. As to the war's effect on the burnt clay business, it is claimed that the war has caught practically every brick dealer short on stock. Demand is said to be not far from supply. In regard to foreign markets, the *Brick and Clay Record* states:

"It is not without the range of reason to anticipate, as an outgrowth of the destructive war in Europe, a tremendous demand for American clay products abroad. What is to become of the brick plants, the terra cotta plants of Germany, Belgium, Holland, Servia and other belligerent nations? If the war lasts eighteen months, as Lord Roberts says, what is to become of the plants, of the men who formerly manned them, and of the capital which operated them?"

## Art China

Under the caption "A Boom for American Potters," S. Robineau writes for *The Brick and Clay Record* (Chicago) for September an article on the opportunity made by the European war for American manufacturers to produce white china for amateur decoration. Mr. Robineau says that few persons realize the extent of this trade. Yet millions of dollars worth of white china are imported every year from France and Germany notwithstanding an import duty of 30 percent, and there are growing importations from Japan. War or no war, Mr. Robineau insists, the American manufacturers should have this trade.

## Wool Stimulation

*The Textile American* makes as its editorial leader an argument for the reestablishment of the wool industry. "As a result of the sudden European War," it declares, "the woolen trade and wool industry in this country have been brought face to face with the difficulty of trying to conduct a business in a necessity of human life, while depending on other lands and peoples for supplies of either raw materials or manufactured goods." After reviewing causes of the dependence, the editorial continues:

"\*\*\* We neither raise the wool nor make the fabrics necessary to cover the lacks of American citizens."

"This is the present situation but it need not be the future and permanent situation. \*\*\* It is idle to say that it is impossible to raise sheep and make wool a paying industry in this country. \*\*\* New methods are necessary; new and increased capital must be invested, and up-to-date systems adopted, and then there will be wool enough. \*\*\* The future of the American wool industry will be as full of surprises as the cotton industry's future when educated and intelligent men will undertake the enterprise. The United States can raise more and better sheep if the wool industries will make a conscientious study of the ways and means."

## Lumber Activity

"Conservatism, caution and a curtailment of production" reported in some of the lumber trade publications as the dominant notes at the special meeting of the directors of the National Lumber Exporters' Association in Cincinnati, seem characteristic of the trade generally throughout the country. Several trade magazines, however, afford reason to believe that the expression should be qualified to imply positive timidity among some manufacturers and dealers, including exporters, while others in editorials, fairly well corroborated by facts, favor a bold stand on the part of the trade and either an immediate increase of export and domestic business or a making ready for increases regarded as inevitable.

## Cheese Market

The shutting off of a large percentage of our importations of cheese for an indefinite period, says *New York Produce Review and American* "offers to American manufacturers of many of these types of cheese an exceptional opportunity to establish a reputation for their products in outlets heretofore monopolized by the imported articles."

## The Meat Supply

**M**EAT and packing trade publications in their comments upon the effects of the European war on the meat and provision markets of the United States and the trade opportunities offered, express a general optimism, but devote most of their specific statements to available supplies which are said to be very scarce.

Under the caption of "Still No Fresh Meats Imports," *The National Provisioner* (New York and Chicago), asserts: "There were no imports of fresh meats to the United States during the past week. War conditions still interfere with this trade. Australia has put an embargo on such exports, to preserve her war supplies, while interruptions to steamship service, coal scarcity and banking conditions interfere with the South American trade. There have been no arrivals of South American meats at New York for more than two weeks." The editorial concludes with the statement that while the situation is said to be improving in South America the outlook is indefinite.

As showing that there is a scarcity of meats *The National Provisioner* states that receipts of cattle at eight leading centers in August were 143,000 head less than for the same month a year ago. Hog marketing was 356,000 less, and sheep and lamb receipts were 14,000 less. For the eight months ended with August, receipts of cattle at seven principal markets were \$82,000 head less than for a like period in 1913; hog marketing 1,340,000 head less, mutton receipts alone being greater than for the corresponding eight months of 1913.

Official reports of stocks of provisions at chief centers at the end of August show stocks of pork and lard August 31 smaller than on July 31, but larger than on August 31, 1913. Stocks of cut meats were smaller on August 31, 1914, than on either of the other dates.

## Cotton Seed Products

Opinions on cotton seed products markets are variant as reflected by *The National Provisioner* (New York and Chicago) for September 5. The tremendous cotton crop, estimates of which have ranged as high as fifteen and a half million bales, meaning perhaps an approach to the 20,000,000 gallons of crude oil record in 1911, has had a bearish influence, and added to that the derangement of the markets by the European war has tended constantly downward.

At the same time *The National Provisioner*, notes that the tendency on the part of the public to reduce expenses is apt to create an extended market for cotton seed products, as in the manufacture of lard compounds, oleomargarine, and similar foods, and in the substitution of cotton seed oil for olive and other high priced and now very scarce oils. A renewal of the domestic as well as of the export demand seems generally expected despite the numerous unprecedented complications of the market.

## Normal Autumn in Building

So far as it has been possible to discover neither building construction nor the building material market has been affected by the European disturbance, says the *Record and Guide* of New York City.



# Careful Statement Regarding Collection Problems

The following article relative to the collection problem which is always before an organization, dependent upon personal and public satisfaction, will be read with interest by all secretaries. It was prepared by Fred Clayton Butler, Secretary of the Commercial Club of Kalamazoo, Michigan. He argues that promptitude in the payment of dues should be acquired through the efficient service rendered by the organization, and that along the line of efficiency lies the cure for slow collections.

WITH but a very, very few bright and shining exceptions, every commercial secretary in the country has more or less trouble in keeping the membership dues collected promptly and in full. At almost any gathering of secretaries the various "best" methods of accomplishing this end are threshed out, pro and con. While there are, of course, proper and improper methods of collection as there are of everything else, yet there is no doubt that too much stress is laid on the mere act of collecting. Most organizations fail to collect their dues promptly not because their methods of collecting are faulty—the trouble lies deeper. Commercial organization work like almost every other line of human endeavor, is nothing more nor less than salesmanship. Consequently when men refuse to pay their commercial organization dues, it may be assumed as a general rule that they have not been properly "sold." A young salesman might return to his house and report that he had been cordially received by his prospect, had secured his attention and his interest, had even been given the understanding that the prospect was in the market and yet the salesman had been unable to get the man's name on an order. It would be a mere waste of time for that young salesman to inquire into the psychology of that prospect's decision. What will benefit him is a cold and critical analysis of his own selling methods; for there is where the trouble lies.

## SELLING MEMBERSHIPS

I do not mean to imply that any organization that has collection troubles is inefficient. I am merely pointing out that as a general rule the cause of collection troubles lies deeper than the mere method of collection. Take the opposite case. The man who pays his dues promptly upon receipt of statement does so because he appreciates the value of the investment. He has been properly "sold" and is impressed with the value of the organization and the work it is doing for the community. Inefficient organizations must expect collection troubles and lots of them. Therefore collection troubles are lessened in proportion to the value and efficiency of the organization.

Commercial organization salesmanship has the disadvantage of ordinary salesmanship in that the signing of an order usually completes the sale. Commercial memberships are not sold and resold until the current dues have been paid. It has still another disadvantage in the fact that, while in ordinary sales the thing sold gives value, pleasure or satisfaction to the buyer, in commercial work the buyer must be continually convinced that he is getting value for his money. Therefore collection troubles face not only the inefficient organization but also the efficient and valuable organization which fails to give proper publicity to the work that it is doing. The commercial organization which "hides its light under a bushel" will soon be able to hide its membership under a peck.

## THREE PHASES OF PROBLEM

Thus we see that the problem of poor collections must be met by the commercial organization, first—by being of real value and importance to

its community; second, by taking pains that that value and importance is realized and understood by the membership and the community, and, third—by proper methods of collection.

It is useless to discuss the first problem in this article for this is the very basis of organization existence. It is receiving the best thought of some of the best brains in the country today and the results that have been accomplished within a few years by some organizations are astounding. It is this that is making the commercial-secretary work a profession. It is for this that the colleges and universities are preparing courses by their trained experts. To be of "real value and importance to his community"—this is the Atlas-burden that rests upon the commercial secretary in the metropolis or the ambitious village-city of ten thousand.

## PUBLICITY NECESSARY

The problem of keeping the membership and community advised of the activities of the organization is almost as important and as difficult as the activities themselves. To see that the organization receives due credit for the work it does on one hand and still to avoid braggadocio and what is commonly known as "four-flushing" on the other, requires skill and tact and judgment. Of course the principal medium used is the daily press and every secretary will admit that to maintain close and cordial relations with the press, especially where there are two or more papers, both anxious for "scoops" and perhaps jealous of one another—any secretary will admit that this alone is a problem worthy of a diplomat.

The rapid growth of "house organs" or monthly journals seems to indicate their proven value as a medium of keeping memberships sold. There can be no doubt of the influence of such a publication, reaching the member week after week or month after month providing it keeps him advised in a convincing and readable manner of the work the organization is doing.

But perhaps the best method of making members realize the value of the work is to make them do the work themselves. In fact, it may be conceded that this is essential to an efficient, enthusiastic organization. There is no doubt that oftentimes certain tasks may be done more quickly and perhaps better by the secretary than by a committee. No man, however, is going to be wildly enthusiastic over what some other man accomplishes and I doubt if any organization would long exist merely to employ a secretary to work out benefits. Lucius E. Wilson recently indicated that in his opinion, the successful secretary was not the one who could do the most for a city himself but the one who could keep the most men working effectively. Thus we see that so important is the matter of making the membership realize the work the organization is doing that it is necessary at times even to sacrifice efficiency to this end.

## MUCH LITERATURE INEFFECTIVE

Year books and annual banquet are also widely used to spread information regarding the work of the organization. The former are often elaborately compiled and printed and are

carefully studied—by the secretaries of other organizations. Personally I fear the membership at large study them about as we secretaries study the Congressional Record. Of course, the men who were active in bringing about the results set forth in the year-book, undoubtedly take pleasure in reading the account of them, but these men do not need the lesson. They had theirs in the doing of the deeds.

Membership banquets and meetings are admirable, provided the work of the previous year and the plans for the year ahead, receive discussion and consideration but too often these are merely incidental or entirely eliminated.

Some organizations are carrying advertisements in the local papers—selling their goods exactly as a mercantile establishment does. This can be made a most effective method of publicity and appear exactly as the organization wishes it to appear, which is not always the case with the news columns. A daily or weekly space in the local press outlining briefly some accomplishment of the organization or perhaps some plan it hopes to achieve—this should be valuable in getting new members or in keeping old ones.

## COLLECTION METHODS

Now in regard to collection methods: of these there is an endless variety, some good, some indifferent and some very bad. In some cities the plan of having the member sign an order on his bank payable on the quarter or semi-annual date has been worked effectively. I believe Mount Clemens, Michigan, formerly used this plan with considerable success. The difficulties of placing it in use are apparent. It is nothing more nor less than an accepted sight draft or check with a future date.

In Omaha the collections are handled, I think, almost entirely by telephone. A young lady in the office merely calls the delinquents and reminds them of the past due account. So tactfully is this done that other methods of collection are rarely necessary.

Galveston, Texas, collects from \$4,000 to \$5,000 a month by means of two office boys with a loss of only one-half of 1% in two years. This probably entitles Galveston to first place in the matter of collections. Using a boy for collecting would have an advantage in that the delinquent member would not expect him to stop and argue the value of the organization to the community before paying the amount due. This is a problem in getting in the funds by means of a collector. Either the collector should be in position to answer any question regarding the work of the organization and meet any criticism or else he should know nothing whatever about it. A little knowledge is a very dangerous thing in a valuable collector who desires to please and pacify unreasonable delinquents.

Many organizations collect entirely or almost entirely by mail with form and follow-up letters. We all know by experience how easy it is to lay aside for a "day or two" a dunning letter. But a major part of the collections can undoubtedly be made by this means and the balance secured by personal

calls. In my opinion the organization is weakened by having collections made by the secretary. Directors sometimes make the argument that it is well for the secretary occasionally to meet the membership individually. This is very true but he should meet them under more auspicious circumstances than in the role of a debt collector. It savors too much of begging for one's own salary, like an itinerant preacher.

Some organizations sue in courts of law their delinquent members and while this action has many well-known arguments to favor it, it is a harsh measure like corporal punishment and, after all, its use is very questionable. Some organizations "post" the names of delinquent members and this is often effective especially where club-rooms with consequent visitors are maintained. A few even go so far as to publish in their journals the names of those in arrears. At least one organization I know makes a practice of speaking plainly to delinquents and telling them they want neither their money if they cannot pay promptly when the debt is due.

## SELECTED MEMBERSHIP

One cause for poor collections may be found in the quality of the membership. Often, especially in campaigns, anyone is accepted who will sign an application. If this is done a very heavy mortality must be expected about dues time. The purpose of a commercial organization is, or should be, so high that the membership should be picked. There is a certain percentage of citizens who are so constituted mentally that they could never appreciate the value of a community organization. These should not be solicited. In our own club we shall in future approach only those who have been listed by the membership committee as capable of supporting and presumably able to appreciate a membership. In fact during the past few months we have refused memberships from men who were not playing the business game according to the rules used in good society. We hope to make it a privilege and an honor to display a membership sign in our organization.

To conclude: With a membership properly chosen, organized, and instructed, with an organization doing effective and valuable community work, the matter of collections should lessen in importance until a certain small percentage will each year cover the loss in membership from arrears.

## Secretaries Attention!

By all means try to get to the Joint Convention of the American Association of Commercial Executives and the Central Association of Commercial Secretaries to be held in Cincinnati, September 28, 29 and 30. The full program was in the August issue of THE NATION'S BUSINESS. This Convention will be a practical preparation for every Secretary to deal with the problems of commercial organization work and particularly to deal with the trade problems thrust upon the cities of the United States by the present European war. Go if possible!!